Daily Report

East Europe

FBIS-EEU-91-006
Wednesday
9 January 1991

Daily Report
East Europe

FBIS-EEU-91-006 *9 January 1991*

CONTENTS

NOTICE TO READERS: As of 2 January 1991, television sourcelines in the DAILY REPORT will reflect how a station identifies itself. In most cases, this change eliminates the "Television Service" designation in favor of the station identification as broadcast. The presence of a new television sourceline reflects this change in policy, rather than the establishment of a new station or network.

NOTICE TO READERS: * indicates material not disseminated in electronic form.

ALBANIA

Youth Union Adopts Alia as Electoral Candidate *[ATA]* 1
Alia Meets PDSh Leaders; Discusses Elections *[Tirana Radio]* 1
Justice Minister Queried on Prisoners' Release *[Tirana Radio]* 1
'Persecutions' Under Stalin Described *[ZERI I POPULLIT, etc.]* 2
National 'Spirit of Self-Enclosure' Described *[DRITA 23 Dec]* 3
Foreign Affairs Minister To Visit PRC 22 Jan *[Tirana Radio]* 5
Turkish Economic Delegation Arrives 7 Jan *[ATA]* 5
Lays Wreath at Hoxha's Grave *[ATA]* 6
Economic Talks Begin *[ATA]* 6
Meets With Foreign Minister *[ATA]* 6
Confers With State Secretary Hoxha *[ATA]* 7
$30 Million Loan Extended *[Ankara Radio]* 7

BULGARIA

Popov To Present Cabinet Program Soon *[Sofia Radio]* 8
Interior Minister Danov Explains Ministry Changes *[DUMA 4 Jan]* 8
Finance Minister Kostov on Anticrisis Measures *[BTA]* 9
New Visa, Passport Regulations Reported *[DUMA 4 Jan]* 9
'Social Peace' Agreement Signed With Unions *[BTA]* 9
Tomov, Ludzhev Meet With TU Representatives *[Sofia Radio]* 11
Lilov Predicts BSP Success in Elections *[Sofia Radio]* 11
Ananieva Elected BSP Parliamentarian Chairperson *[BTA]* 11
SDS Fails To Elect Parliamentary Group Leader *[BTA]* 11
Motor Oil Production Shutdown in Pleven *[Sofia Radio]* 11
Ethiopian Vice President Desta Arrives, Talks Begin *[BTA]* 12
Zhelev Receives Ethiopian Vice President *[BTA]* 12
Zhelev Receives French Socialist Party Leader *[BTA]* 12

CZECHOSLOVAKIA

Foreign Trade Ministry Corrects Klaus Statement *[LIDOVE NOVINY 3 Jan]* 13
Devaluation of Currency Seen as Anti-Slovak Move *[Zvach in NARODNA OBRODA 3 Jan]* 13
Increased Financial Support for Pensioners Planned *[PRAVDA 5 Jan]* 13
CTK Economic Bulletin To Be Published Daily *[SVOBODNE SLOVO 3 Jan]* 14
Devaty Explains Use of Secret Agent Files *[LIDOVE NOVINY 3 Jan]* 14
President Havel Needs 'Rest,' 'Rehabilitation' *[Prague TV]* 15
New Unit To Counter Possible Iraqi Terrorism *[CTK]* 15
Plane Sent to Middle East To Evacuate Citizens *[Prague Radio]* 15
Reportage on Dienstbier Visit to Persian Gulf *[cross-reference]* 15
Deputies Appeal to USSR on Baltic Situation *[CTK]* 15
Austrian Plans for Power Plant 'Unrealistic' *[CTK]* 15
Payment Procedure Changes With SFRY Announced *[VEREJNOST 5 Jan]* 16
Calfa Praises UK Trade Cooperation Efforts *[Prague Radio]* 16
IMF Approves $1.783 Billion Financial Aid *[Prague Radio]* 16

Zlin's Mayor Resigns After Political 'Blackmail' *[LIDOVE NOVINY 2 Jan]* 16
Civic Forum Liberal Club Introduces Itself *[LIDOVE NOVINY 4 Jan]* 16
Anti-Havel Slogans Chanted in Bratislava *[Prague Radio]* 17
Slovak Arms Plants To Phase Out at Slower Pace *[CTK]* 17

POLAND

Walesa Writes to Bush on Gulf Crisis *[Warsaw Radio]* 19
Walesa Continues Political Consultations *[PAP]* 19
Bielecki Meets U.S., USSR Envoys *[PAP]* 19
Skubiszewski Remarks on Foreign Affairs Priorities *[Warsaw TV]* 19
Delegation To Discuss USSR Troop Pullout *[Warsaw TV]* 20
Zdanowicz Comments on Future of Democratic Union *[GLOS SZCZECINSKI 27 Dec]* 20
Sejm Discusses Debt Repayment Problem *[PAP]* 21
Arms Reductions, Restructuring Detailed *[PAP]* 21
USSR Causes Shipyard Financial Problems *[PAP]* 22
New Radio, TV Chief Terlecki Outlines Plans *[PAP]* 22
Retail Prices To Rise Six Percent in Jan *[PAP]* 22

ROMANIA

Government Spokesman Holds Weekly News Conference 23
Economic Reform Discussed *[Bucharest Radio]* 23
Ex-King Mihai's Visit Viewed *[ROMPRES]* 23
Former King's Citizenship Reportedly Restored *[AFP]* 23
Ex-King Mihai Responds *[ROMPRES]* 24
Deputies Assembly Views Mihai's Visit, Land Law *[ROMPRES]* 24
Iliescu Meets National Democratic Party Group *[Bucharest Radio]* 25
FSN: Iordache's Status as Deputy Not Contested *[ROMPRES]* 25
Iordache To Return to Parliament *[ROMPRES]* 25
PNT-cd's Coposu Favors Change of Government *[ROMPRES]* 25
Iliescu Sends Letter to PNL's Campeanu *[ROMPRES]* 26
PSD Leader Cunescu Sums Up National Situation *[ROMPRES]* 26
Iliescu Chairs Supreme Defense Council Meeting *[ROMPRES]* 27
Joint Government-TU Commission Holds Meeting *[ROMPRES]* 27
Timisoara Students' Strike Continues *[ROMPRES]* 27
Mayor Announces Resumption of Housing Construction *[ROMPRES]* 28
Controversial Discussions in Senate Reported *[ROMPRES]* 28
* Defense Ministry's Attacks Refuted *[ROMANIA LIBERA 12 Dec]* 28
* ADF Statement on State of the Nation *[ROMANIA LIBERA 12 Dec]* 30
* Roman News Conference on Strikes, Prices *[AZI 13 Dec]* 31
* Prime Minister's News Conference Reviewed *[ADEVARUL 13 Dec]* 33
60,000 Workers To Be Laid Off, Retired *[AFP]* 34
Foreign Trade's Poor Performance Noted *[ROMPRES]* 35
Nation's Current Monetary Situation Reviewed *[ROMPRES]* 35
Private Sector Potential To Ensure Jobs Noted *[ROMPRES]* 36
Trial of Former PCR Officials Resumed *[ROMPRES]* 36
Foreign Minister Departs for Syria, Jordan *[ROMPRES]* 36
Parliamentary Delegation Meets Israeli President *[ROMPRES]* 37

YUGOSLAVIA

Upcoming Meeting of Republican Officials Viewed *[Jerotijevic on Belgrade Radio]* 38
Republics, Provinces Steal Part of Sales Tax *[TANJUG]* 38
Bosnian Serb Leader Comments on Bogicevic, Knin *[VJESNIK 28 Dec]* 38
Bosnia-Hercegovina Forms Alliance of Albanians *[TANJUG]* 39
Tudjman Urges Talks on 'New Historic Agreement' *[VJESNIK 30 Dec]* 39
Macedonian Assembly Opens With Argument *[TANJUG]* 40
Andov Elected New President *[TANJUG]* 40
Macedonian Parties Agree on Future President *[BORBA 7 Jan]* 40
Leader of New Communist Party 'Old-Fashioned' *[BORBA 28 Dec]* 41

Macedonian Communists Discuss Government Options *[OSLOBODJENJE 29 Dec]* 41
Kosovo Human Rights Group Criticizes Jovic *[TANJUG]* 42
Serbian Republic Monetary Actions Assailed *[TANJUG]* 42
'Measures of Coercion' Used on Medical Officials *[Zagreb Radio]* 43
Army Accused of Killing Ethnic Albanian Soldiers *[TANJUG]* 43
Slovene Official Discounts Secession Option *[TANJUG]* 43
Slovene Assembly on Serb 'Incursion' Into System *[Ljubljalna Radio]* 43
Soviet Official Visits Communist League Leader *[TANJUG]* 44
Reportage on Loncar Visit to Saudi Arabia *[cross-reference]* 44

Youth Union Adopts Alia as Electoral Candidate

AU0801232091 Tirana ATA in English 1925 GMT 8 Jan 91

[Text] Tirana, January 8 (ATA)—Today afternoon hundreds of inhabitants of the city quarters included in the No. 3 Region of the capital, comprised in the Precinct No. 218 of Tirana District, gathered in the Opera and Ballet Theatre to forward the candidates for deputy to the highest organ of the state power, the People's Assembly.

The meeting was declared open by the chairman of the Democratic Front of "Beteja e Arbanes" city quarter, Taras Begeja.

Then the floor was taken by the secretary of the Central Committee of the PLA [Albanian Workers Party] and first secretary of the District Party Committee, Comrade Xhelil Gjoni, who on behalf of the Party of Labour of Albania forwarded as a candidate for deputy in this election precinct the first secretary of the party Central Committee and chairman of the Presidium of the People's Assembly, Comrade Ramiz Alia. I know, he said among others, that this was an ardent desire and a demand expressed by you, the inhabitants of this precinct, because Comrade Ramiz has been your deputy until now and has represented you worthily in the highest organ of the people's power. You, like the whole Albania does, know Comrade Ramiz, his figure and deed in service of the people and the party.

Then he spoke on the figure of Comrade Ramiz Alia and his activity during the years of the National-Liberation War to date as a beloved and witty leader of the party, state, and of our entire people. The merit of the ideators and ardent combatants for the deepening of the historic initiatives for the unceasing democratisation of the country's life, the strengthening and modernisation of economy, the uplift of the welfare of the working masses belong to him and to the Party of Labour.

He, like the party he leads, have never considered anything else more important than the interests of the people, than the freedom, independence, soverignty and progress of the homeland.

Further on, he pointed out the precious contribution Comrade Ramiz Alia has made and makes to the strengthening of the people's unity, to the consolidation of the juridical state, to the securing of human rights and duties according to the current European norms, being always a resolute opponent to bureaucracy and incapability which suffocate the revolutionary spirit of the masses and hinder the exploitation of all possibilities existing in the fold of the society to march always onwards. Comrade Ramiz, he said, is the ideator and inspirer of the new draft constitution of the PSR [People's Socialist Republic] of Albania. He programmed and initiated the deep economic reform undertaken of late, which will assist in overcoming the difficult economic situation within a short period of time.

He dwelt also on the direct contribution of Comrade Ramiz Alia in elaborating the foreign policy of our country, emphasizing that according to his instructions, our country is striving to become an active participant of the European security and cooperation.

Then the floor was taken by the first secretary of the district Youth Committee, Fatmir Xhafa, who said that the Labour Youth Union of Albania endorses the candidature presented by the Party of Labour in this election precinct for Comrade Ramiz Alia, who, the speaker emphasized, is also the greatest friend of the youth.

The candidature was unanimously approved by the electors.

Likewise, other candidates too, were forwarded in this meeting.

Alia Meets PDSh Leaders; Discusses Elections

AU0801213891 Tirana Domestic Service in Albanian 2100 GMT 8 Jan 91

[Text] At the seat of the Presidium of the People's Assembly this afternoon, Comrade Ramiz Alia received a representation of the Democratic Party [PDSh] consisting of Azem Hajdari, chairman of the Initiating Commission of this party, Sali Berisha, Gramoz Pashko, Arben Imami, Aleksander Meksi, and Genc Pollo.

During the meeting, they discussed the forthcoming elections to the People's Assembly. The representatives of the PDSh presented their familiar demands to the chairman of the Presidium of the People's Assembly in connection with the elections, primarily their postponement.

Comrade Ramiz Alia explained to them the country's economic and political situation, which (?calls for) elections as soon as possible, for the good of (?the country) and the people. In today's situation, he said, we are not talking about narrow party interests, but the lofty interests of the people and the nation. [passage indistinct]

Justice Minister Queried on Prisoners' Release

AU0801223791 Tirana Domestic Service in Albanian 1900 GMT 8 Jan 91

[Interview with Justice Minister Enver Halili by Alfons Gurashi; place and date not given—live or recorded]

[Text] [Gurashi] Comrade Minister, a few days ago the decree of the Presidium of the People's Assembly concerning the pardon of a number of political prisoners was issued. Can you tell us what led to such an important decree, which, as you know, has been welcomed by the entire population?

[Halili] The policy of pardon is a tradition in our state's law. Some time ago, this problem was studied, with the aim of reaching certain conclusions which resulted in the recent decree issued by the Presidium of the People's Assembly. As is well known, the seventh legislature of the People's Assembly was held in May 1990. This, among other things,

studied and presented for approval a range of changes in our legislation. (?Among other important changes,) two dispositions were changed concerning crimes [words indistinct] in connection with flight abroad, which is now simply called: illegal crossing of the border. Also, changes were made in the article of the Penal Code relating to agitation and propaganda. This change was also in a positive direction, because it greatly restricted the sphere of this kind of political crime. These changes were made in the Penal Code, bearing in mind people's freedom of conscience and thought.

On the basis of these changes, which, as I said, were carried out beforehand in May 1990, and on the instructions made to us by President Ramiz Alia, the Ministry of Justice, and the other competent organs carried out and immediately submitted to the Presidium of the People's Assembly the relevant study for the pardon of entire categories of political prisoners. Because changes in the law were not retroactive [words indistinct] and the relevant decisions. It has now been demonstrated that the most recent decree involved extensive amnesties, but I can tell you that one category of prisoners was pardoned under Decree No. 7,391, dated 6 June 1990, while another category was pardoned by the Presidium of the People's Assembly under Decree No. 7,401 dated 31 July 1990. Similarly, there was again a pardon from the Presidium of the People's Assembly in Decree No. 7,412 dated 8 September 1990. In pursuit of this policy, which, as I said before, was already provided for in our state's legislation, the Ministry of Justice and Ministry of Internal Affairs made suggestions to the most recent meeting of the Presidium of the People's Assembly. As you heard, this meeting, alongside the many other pardons, pardoned 202 persons earlier sentenced for the crimes of agitation and propaganda and the crime of flight abroad. Altogether, including those I mentioned in relation to the earlier decrees, their number amounts to 393 people pardoned under decrees of the Presidium of the People's Assembly.

Similarly, the changes being made to the Penal Code anticipate pardons, or rather what I would call conditional early releases. There are two conditions: First, that these prisoners have behaved well and have worked correctly while serving their sentences, and, second, that they have served no less than one-half of their sentences. Even in this context, in this period, dozens of people have been pardoned—or as I would say, conditionally released—including many sentenced for agitation and propaganda. Now as you have heard, the Presidium of the People's Assembly has made a recommendation to the Ministry of Justice and the other competent organs in the Ministry of Internal Affairs to study and submit other proposals for the release of all political prisoners sentenced for agitation, propaganda, and flight abroad. I can tell you that this study is now complete, and we are ready to submit it to the Presidium of the People's Assembly. In the near future, and as far as I know that means in the present month of January, pardons for all these people will be considered.

[Gurashi] Excuse me, a specific question now, Comrade Minister. So far, from what you have explained, and especially under the most recent decree of the Presidium of the People's Assembly, 393 persons have been pardoned. How many political prisoners are presently under examination by the competent organs and will be released, and on the basis of what criteria?

[Halili] From the study we have carried out, (?in places where sentences are served), there are about 170 other persons who, after submission to the Presidium, will be suggested for pardon. Let me tell you something else. For some kinds of serious or very serious crime, at the expense of the people's property, the lives of citizens, and other similar crimes that also involve features of the crimes of agitation and propaganda or flight abroad —which in these specific cases are secondary—for them, too, the Ministry of Justice has prepared a report on the instructions of the Presidium of the People's Assembly and will submit this to the Presidium for the pardon of the relevant part of their sentences.

[Gurashi] May I ask another question? How large is this category of prisoners?

[Halili] Serious crimes concerning damage to the interests of the state and citizens are condemned throughout the world. For instance, terrorism, diversion, economic sabotage, and espionage are condemned throughout the world.

Because you ask, I will tell you that from study and research of the concrete situation carried out by the Ministry of Justice, we have altogether in Albania about 150-160 persons sentenced for this kind of crime. Of course, they will serve their sentences, but if their cases involve an element of agitation, propaganda, and flight abroad, the proposals to the Presidium of the People's Assembly will allow the possibility of reducing or pardoning that part of their sentence. They will, of course, serve the other part which relates to those crimes, which, as I said earlier, are punishable throughout the world, illegal acts committed at the expense of the people, the state, and citizens.

[Gurashi] Thank you.

'Persecutions' Under Stalin Described

AU0801160291

[Editorial Report] Tirana ZERI I POPULLIT in Albanian on 22 December carries the 21 December Council of Ministers' decision to remove Stalin's name from Albanian institutions at the bottom right-hand corner of page one. Neither ZERI I POPULLIT (issues through 30 December) nor BASHKIMI (issues through 31 December) carry any other items relating to Stalin, but the address of the editorial offices at the foot of page four

of each paper has been changed from "Stalin Boulevard" to "Martyrs of the Nation Boulevard."

Tirana DRITA in Albanian on 23 December, however, carries a 5,500-word item on pages 13-15 entitled "The Poet Sergey Yesenin's Son," consisting of excerpts from the French writer Jean Ellenstein's book "Stalin," and the Yugoslav writer Karlo Stajner's "Return From the Gulag."

Unattributed introductory remarks to the item include the following passage: "Karlo Stajner, in his book 'Return From the Gulag,' dwells on certain facts which testify to the persecutions of the Stalinist state, which, as the author himself states in the introduction to his book, 'has nothing to do with socialism; On the contrary, it compromises the theory and practice of socialism.'

"The passages we publish concern historical events familiar to many readers. Can they involve subjectivism or perhaps inaccuracy, especially in the passages concerning Albania? If so, the reader may decide for himself by referring to the documents also published in our country about these problems. "We inform readers that future issues of DRITA will publish further material of this kind."

The excerpts from Stajner's book include personal recollections of the maltreatment in prison and shooting of Sergey Yesenin's son Yuriy, as well as an encounter in a labor camp with the "legendary" Nikolay Yemelanov, who "rescued Lenin and Grigoriy Zinovyev from Kerensky's police" in 1917.

The extracts from Ellenstein's book cite Lenin's codicil to his "testament," which states: "Stalin is very brutal and this failing, perhaps tolerable among ourselves, makes him unsuitable for the post of general secretary. He has gathered limitless power in his hands, which I am sure he will be unable to use with moderation and maturity. I therefore suggest that comrades should examine the possibility of dismissing Stalin from this post, and replacing him with another comrade who will be more polite and moderate and not so stubborn by nature."

Under the subhead, "Division of Europe," passages from Ellenstein's book describe meetings between Allied leaders during World War II. At one meeting between Churchill and Stalin in Moscow, "Churchill said: 'Let us look at our affairs in the Balkans. Your armies are in Romania and Bulgaria. We also have our interests in these countries, as well as our missions and agents. Let us avoid quarrels on those matters which are not worth the trouble. Let us make our calculations for Britain and Russia. What would you say to your taking 90 percent of Romania, and our taking 90 percent of Greece? Let us divide Yugoslavia in half, 50-50." After these figures were noted on paper, "Churchill broke the silence: 'Does it not seem rather cynical to you to sort out so easily such problems on which people's fate depends? Let us burn this piece of paper.' 'No,' Stalin said, 'Let us keep it.'" "This was not the first time that Stalin considered peoples in this way. What difference was there between this Churchill-Stalin agreement and that signed in 1939 between Stalin and Hitler's envoy Ribbentrop, which likewise divided Eastern Europe into zones of influence?"

At a later meeting between Stalin, Churchill, and Roosevelt: "Stalin was in a very good mood. Political talk started toward the end of the dinner. Stalin began, insisting on the responsibilities of the three great powers for other peoples. He took Albania as an example, and said that Albania could in no way be given the same position as that of the great powers. The Soviet Union, along with Britain and the United States, would consider the rights of small powers, but Stalin added there was no reason why large states should in any way consider the views of small nations. Roosevelt agreed completely with this way of looking at the problem. It was up to the three great powers gathered round the table to organize the peace. Churchill insisted on the fact that the great powers must respect the rights of small nations. Stalin laughed at this idea. He was curt in conversation. The Soviet dictator did not hesitate, and would never hesitate, in placing small nations under his heel and dominating them in a very despotic way."

The item also quotes a passage in Ellenstein's book describing the Yugoslav politician Milovan Djilas' meeting with Stalin, at which Stalin reportedly said, "We have no special interests in Albania, and we agree that Yugoslavia can devour it, swallow it up."

Tirana Domestic Service in Albanian at 2115 GMT on 27 December referred in its weather forecast to the town of Qytet Stalin as simply "Qytet" (City). Subsequent weather forecasts have been observed to omit the town entirely, and no other mention of the town under any name (including its original name of Kucove) has since been observed in any monitored Albanian media.

National 'Spirit of Self-Enclosure' Described

AU0801130691 Tirana DRITA in Albanian 23 Dec 90 p 5

[Xhevat Mustafa article: "Fear of Yourself"]

[Text] Our history is full of struggles with overt and covert enemies and the countless problems of survival as a small country surrounded by enemies and natural difficulties. Faced with these enemies and difficulties, we have never flinched or lost our bearings; however, we have also had another, invisible enemy: ourselves. This enemy has always done us serious harm, but we have nevertheless discounted and forgotten him. Closing our eyes and ears, we have often let him inhibit us and gnaw us inside.

Many centuries of a life under siege have cultivated in us a spirit of self-enclosure and of distrust of all foreigners, even during long or short periods of peace, when they stretched out a hand to us, or when they sought to profit or maneuver when political opportunities arose.

After the 1960's, even though geographically we are a well-trodden crossroads between West and East, we have marooned ourselves as if on Robinson Crusoe's island, "living off" our own fat. We are a small country, however, and our fat could not sustain us for long. We therefore began to eat up our own flesh, thus opening a wound which will take time to heal. There were voices who became worried and sounded the alarm, but they were drowned in the chorus of euphoria and the bombastic slogans and phrases which of course deceived only... ourselves.

It is often said that you find a neighbor in your home more often than your brother; however, we did not think of our country as a hospitable house or other countries as neighbors. For the sake of truth and accuracy, it cannot be denied that some ships flying foreign flags sometimes anchored off the shores of our island, but they took away more than they brought, and they unloaded goods which we did not need, obsolete technology which was more a hindrance than a help.

Almost 15 years ago, nobody from abroad advised us or forced us to create small herds [movement to gather peasants' personal livestock into flocks and herds at "brigade" level]. Some people even acquired academic titles for their research work on this problem. From below, party and state cadres in agricultural cooperatives overwhelmed the apparatus with floods of information: pledges and initiatives which only made the fog thicker and the chorus more deafening, so not a spark of the truth could be seen and not a single voice of truth could be heard.

If policies had been decided based on the profound calculations of economists, mathematicians, and ecologists, and if the sole idea had not been to seize momentary opportunities and to challenge the world, some construction projects which even today consume more than they produce would never even have been thought of. Of course, nobody told us to build them. We thought of them and built them ourselves, pouring rivers of material and financial resources into the sea.

We also did ourselves harm, therefore, in the euphoria that especially affected immature people, who were dazzled by superficial colors and transitory appearances, which they took for justified phenomena.

The psychology of distrust toward the outside world, which mainly saw in it enemies with voracious plans and aims, meant that we also took a dim view of the world's great successes in science, technology, economics, culture, literature, and the arts. We therefore did not see or appreciate even what could have been of great value to us and could have been adopted without or with only minimal investment, without paying a penny of tax to the world. Ignoring all these things, we tried to blaze our own new trails; however, this wasted a lot of our time, spiritual values, and financial resources, and exhausted us intellectually and physically. It increased our euphoria, to the extent that for many years we did not even respond to the world's offers of places to train our young cadres and to make specialists out of those that graduated from our schools.

Debarring ourselves from this road and closing this window from which we could have watched the world better and could have plucked ripe fruit from the world's tree, we restricted our opportunities for direct and comprehensive knowledge of the world's treasures in many fields, relying only on paper. Of course, books, magazines, and newspapers provide valuable information, but only a very small part of the very rich treasure of world information. Moreover, in our case, because of difficulties of communication and the levels of bureaucracy through which it passed, this information arrived late, becoming out of date and obsolete in the headlong advance of science, production, and society.

In his recent speeches, Comrade Ramiz Alia has rightly stressed that we are paying the consequences of ignorance. This blight was a legacy of history, but we should now no longer feel it or we should feel it very little. It is an open wound that causes us pain, but not because foreign enemies are scratching it. It was not they who asked us or encouraged us to leave our many capable intellectuals in the shade and to place in leading positions at all levels people with minimal or average education and training. A worker who was skilled in his profession, completed secondary school at evening classes, and made a single, good speech at a conference; a brigade leader who achieved high productivity, perhaps more noticeable in her work report than in the barn; a sawyer or carpenter; an outstanding miner or tractor driver —we have expressed wonder at such people and bewildered them by promoting them to higher positions than they could ever have imagined.

A diploma from the party school has often been used to justify such high-fliers; however, without disparaging or denying this diploma's worth, we can say without hesitation that the brains of many cadres who rose in such a way are very hard put, if not unable, to grasp the complex and serious programs the times demand. Thus we have unintentionally deceived not only ourselves, but these cadres, too. What is an even greater paradox is that we have allowed them to dispense advice and instructions to many genuine intellectuals with well-deserved academic titles, whose achievements are real and not merely on paper, and have been attained by sweat and sleepless nights, not by virtue of their office or through cronyism.

Time quickly exposed the incompetence of these cadres, but we have not dislodged them from their places, even though the chain of their failures, criticisms, and self-criticisms has grown very long. Not only have we not touched them, but they, too, have become skilled and cunning in preserving the cozy corner that was once given to them; however, yet another evil has come from them. Out of fear, the able have gathered further incompetents around themselves. The longer we maintain them, the wider the circle of incompetence expands and

the more it will harm us. We are in the closing years of the 20th century, in the era of cybernetics, automation, sophistication, and robots; we are on the threshold of the 21st century, which will lift mankind to new heights and even carry man to other planets. Our younger generation, however, will criticize us for this delay, suspicion, and inexcusable hesitation in failing to put genuine intellectuals with broad and sound training in charge of the locomotive of progress. Of course, everybody has great respect for the sweat, handiwork, and conscience of workers in production. Let us unstintingly multiply moral and material stimuli for the work they do; let us also write poems, stories, and novels about them; let us even make them heroes of socialist labor; but let us not, for the sake of certain bureaucratic criteria, raise them to the pinnacles of our state and party pyramids, because in doing this we do harm to them and to society even more.

Fear of oneself is also expressed in the way democracy is understood and applied. The very revolutionary and democratizing measures that have been taken—especially this year—are of great importance, have been enthusiastically welcomed by all our working people, and have also been appreciated abroad. The hesitation evident from top to bottom and the sluggish steps taken to radically and thoroughly implement them are finally a sign of insecurity and fear that haste will lead to irreparable mistakes being committed; however, a slow pace does not exclude mistakes.

Fear of yourself is also expressed in debate. In the arena of debate, everybody is equal: There are no superiors and subordinates.

Yet it is not uncommon for some managers, unable to intellectually and temperamentally confront other people's force of logic and unwilling to admit defeat and their responsibility, to call to their aid the power they wield, their authority, and their office.

It is proverbial that whoever works also errs. When it comes to extending this proverb to society, the state, and the party as a whole, however, which in the final analysis means a community of thousands of individuals, this is accepted only with difficulty, or half-heartedly. To avoid admitting this, defects, errors, and weakness are hidden, even when they are quite natural in the process of progress.

For instance, we have not talked about unemployment, inflation, and the rising rates of crime and divorce for decades, even though we have felt these things and wept at them. From whom have we hidden them? From the world? The world has its own troubles and is not ashamed to admit them aloud and to broadcast them through its propaganda industry. Of course, we have hidden them from ourselves. In such a way, we have often forgotten them for long periods. As a result, they have become ingrained, have grown, and worry us all the more.

Finally, fear of yourself is expressed in the form of self-censorship, from which not only writers and artists have suffered and still do. To easily obtain permission from publishers, commissions, and artistic councils, and not to cause problems, they have not unfolded in full what they have in their hearts, and have left to one side the most acute problems and topics, which have become taboos. Meanwhile, critics, scared by the shadows of literary personalities with posts and titles, have woven garlands of undeserved praise for them, and have praised the value of what is naive and mediocre. At the same time, other artists who pose no danger have been trampled on, even though they should have been praised. Thus they have shown themselves to be two-faced, something that clearly shows their fear of themselves.

As citizens, we notice everywhere things that are not going well and which worry us. We talk about them under our breath, at work, and in the streets. We talk at home, but when it comes to speaking out loud at meetings and in the propaganda organs and to telling to their faces the people responsible, our superiors and comrades, fear of ourselves raises its head.

Weapons for protection are quickly found in hypocrisy, servility, apathy, treachery, and intrigue, and the last two lead to plotting, rumors, anonymous letters, and outright spying. Historically, but in the times in which we live also, these weapons have been seen in the hands of pseudo-cadres, those incapable of genuine work.

There are also brave people who overcome themselves, of course, but not without nervous exhaustion and drama. The students showed such bravery in their mass movement in the second week of December, promoting an unprecedented constructive and emancipating debate. The democratizing processes, which are intensifying these days, are an appeal and precondition for everybody to release their own abilities and their civil courage.

Foreign Affairs Minister To Visit PRC 22 Jan

AU0801210091 Tirana Domestic Service in Albanian 1900 GMT 8 Jan 91

[Text] Foreign Affairs Ministry spokesman Hasan (?Bega) announced today that Foreign Affairs Minister Reis Malile will visit China on 22 January at the invitation of PRC Foreign Affairs Minister Qian Qichen.

He said that relations between Albania and China have undergone a positive and friendly development in recent years, and expressed the conviction that the visit of the Albanian foreign minister will serve to further enrich them in various fields of mutual interest.

Turkish Economic Delegation Arrives 7 Jan

AU0801134791 Tirana ATA in English 0901 GMT 8 Jan 91

[Text] Tirana, January 8 (ATA)—In the context of the relations of friendship and cooperation between Albania

and Turkey, a Turkish governmental economic delegation, headed by the minister of state, Isin Celebi, arrived in our country on January 7.

The aim of the visit of the Turkish minister and the delegation he leads is the preparation for the visit to our country of the president of the Turkish Republic, Turgut Ozal, who is invited by the president of Albania, Ramiz Alia. As it is reported, the president of Albania and that of Turkey met in New York during the proceedings of the 45th session of the UN General Assembly.

At Rinas Airport the delegation was received by the minister under the Presidency of the Council of Ministers and chairman of the Committee for Economic Cooperation With Foreign Countries, Farudin Hoxha; the deputy minister of foreign trade, Altin Ylli; head of department at the Ministry of Foreign Affairs, Gudar Toto, as well as other functionaries from various ministries.

Present were also the ambassador extraordinary and plenipotentiary of the PSR [People's Socialist Republic] of Albania to the Republic of Turkey, Nesip Kaci, and the ambassador extraordinary and plenipotentiary of the Republic of Turkey in Tirana, Teoman Surenkok.

The Turkish delegation is composed of a great number of functionaries and important representatives of various ministries, of the planning organisation, representatives of the bank for development representatives of the treasury and foreign trade, tourism, etc.

The minister of state, Isin Celebi, is accompanied also by representatives of the private sector of trade, mines, credit and marketing, transport, construction, pharmaceutical products, etc., as well as by a group of journalists.

During his stay in Albania the minister of state, Isin Celebi, will conduct talks and will meet with senior personalities of our country.

Lays Wreath at Hoxha's Grave

AU0801232191 Tirana ATA in English 1900 GMT 8 Jan 91

[Text] Tirana, January 8 (ATA)—Today, forenoon, the Turkish Government economic delegation, headed by the minister of state, Isin Celebi, paid homage to the martyrs' graves of the nation and to Comrade Enver Hoxha's grave.

The Turkish minister of state, Isin Celebi, laid a wreath by the monument "Mother Albania" and a bouquet of flowers on the grave of the leader of the Albanian people, Enver Hoxha.

During this ceremony, the delegation was accompanied by the secretary of the Executive Committee of the District People's Council, Zyber Sinani; the commander of the Tirana Garrison, Bajram Mana; and the chief of the Protocol Branch at the Ministry of Foreign Trade, Ymer Celiku.

Present were also the ambassador extraordinary and plenipotentiary of the PSR of Albania in Ankara, Nesip Kaci, and the ambassador extraordinary and plenipotentiary of the Republic of Turkey in Tirana, Teoman Surenkok.

Economic Talks Begin

AU0801232291 Tirana ATA in English 1905 GMT 8 Jan 91

[Text] Tirana, January 8 (ATA)—On January 8, forenoon, talks began in one of the halls of "Dajti" Hotel between the Albanian Government economic delegation, headed by the minister under the Presidency of the Council of Ministers and chairman of the Committee for Economic Cooperation With Foreign Countries, Farudin Hoxha, and the Turkish Government economic delegation, headed by the minister of state, Isin Celebi.

Attending the talks, from the Albanian party, were leading cadres and specialists of central institutions, of various fields of economy, industry, agriculture, health service, finances, state bank etc., from the Turkish party, representatives of various ministries, planning organisation, treasury and foreign trade, tourism, private sector of trade, mines, transport, credit and marketing etc.

In today's plenary sitting, the head of the Albanian delegation, Farudin Hoxha, made an expose of the country's socioeconomic development and set forth the necessity of a concrete cooperation and investments in various domains.

The head of the Turkish delegation, Isin Celebi, expressed the readiness of the Turkish Government and businessmen to attain positive results in the economic cooperation between the two countries. Then groups of Albanian and Turkish businessmen had separate working meetings and forwarded concrete proposals, which will be concluded at the end of the visit.

Meets With Foreign Minister

AU0801232391 Tirana ATA in English 1915 GMT 8 Jan 91

[Text] Tirana, January 8 (ATA)—The minister of foreign affairs of the PSR [People's Socialist Republic] of Albania, Reis Malile, received Turkey's minister of state, Isin Celebi, who leads the Turkish Government delegation on January 8.

During the meeting, which proceeded in a warm and cordial atmosphere, Reis Malile and Isin Celebi appreciated the traditional and friendly relations between the two countries and underlined the readiness to expand cooperation between Albania and Turkey.

They expressed the common desire to intensify the political contacts, to raise their level to the benefit of the

strengthening of friendship and materialisation of all-round cooperation in various domains, especially in the economic one. Likewise, it was pointed out that the friendly relations between our two countries are an important factor contributing to the cause of peace and stability in the Balkans. The spirit of confidence, understanding and constructive dialogue in the Balkans will forge ahead the regional process and will integrate it even further in the European processes. In this meeting they talked also on other questions of the current situation on the international arena.

Present in this meeting were also Turkey's Ambassador in Tirana, Teoman Surenkok, and Albania's ambassador in Ankara, Nesip Kaci.

On January 8, the Turkish government economic delegation, headed by the minister of state, Isin Celebi, was received also by the minister of foreign trade, Shane Korbeci. During this reception they exchanged opinions on the further extension of trade relations between the two countries, on the augmentation of the range of the export-import goods and they emphasized the common desire to materialize the economic cooperation.

Confers With State Secretary Hoxha

AU0801134991 Tirana ATA in English 0907 GMT 8 Jan 91

[Text] Tirana, January 8 (ATA)—On January 7 the Turkish governmental delegation, headed by the minister of state, Isin Celebi, was received at the seat of the Council of Ministers by the minister under the Presidency of the Council of Ministers and chairman of the Committee for Economic Cooperation With Foreign Countries, Farudin Hoxha.

During the meeting, Farudin Hoxha welcomed the Turkish guest and voiced the conviction that the talks to be conducted in Tirana will be a manifestation of the desire and will of the governments of our two countries for the further and comprehensive development of cooperation in fields of mutual interest to the benefit of strengthening the traditional and fraternal friendship between our two peoples as well as of the relations between Albania and Turkey.

Present at the meeting was also the secretary general of the Council of Ministers, Fatos Nano.

In honour of the Turkish minister of state, Isin Celebi, the minister under the Presidency of the Council of Ministers and chairman of the Committee for Economic Cooperation With Foreign Countries, Farudin Hoxha, gave a dinner at "Dajti" Hotel on January 7, which passed in a warm and friendly atmosphere.

$30 Million Loan Extended

TA0901090591 Ankara Domestic Service in Turkish 2100 GMT 8 Jan 91

[Iskender Dimli report from Tirana; date not given—live or recorded]

[Text] Turkey will extend a loan of $30 million to Albania. An agreement was reached to this effect during talks on economic cooperation held in Tirana between Turkey and Albania. Half of the loan to be extended by the Turkish Exim Bank under the guarantee of the Albanian Foreign Relations Bank will be used for Albanian imports from Turkey. The rest will be used for the renovation of various existing installations.

Moreover, private Turkish banks will be able to sign loan agreements with the Albanian Foreign Relations Bank and private Turkish firms will be able to export goods on credit with the guarantee of the same bank.

These statements were made by State Minister Isin Celebi during his talks today with Albanian Premier Adil Carcani. Celebi further noted that the agreement on loans is only a beginning and that, with the finalization of joint projects, these facilities will be expanded. He added that training opportunities will be offered to Albania on the subject of international banking.

Pointing out that Albania feels the need for the reorganization of foreign trade and the use of foreign investment, Celebi said that Turkey will also offer technical assistance to Albania on these matters.

In turn, Carcani explained that his country is going through a process of democratization in the fields of politics, law, and culture, adding that swift progress is being made in this direction. He noted that decrees allowing the flow of foreign capital and acquisition of loans, and the protection of foreign investments have already been passed. He added that work on the new draft constitution is continuing at the parliament and that preparations are under way for new elections.

Pointing out that there will certainly be no going back on these reforms, Carcani said that the difficulties faced by his people during this process will be surmounted with help from friendly countries like Turkey.

Celebi will call tomorrow on Albanian President Ramiz Alia. Economic cooperation talks between the two countries are expected to end on Thursday.

Popov To Present Cabinet Program Soon

AU0801211491 Sofia Domestic Service in Bulgarian 1830 GMT 8 Jan 91

[Text] On 8 January at a news conference Prime Minister Dimitur Popov stated that he will present his cabinet's program in the near future. This will be done by a governmental declaration he will read at the Grand National Assembly. The declaration will outline governmen priorities for the next seven months and the measures related to implementing the progra.n.

Dimitur Ludzhev, deputy chairman of the Council of Ministers, pointed out that the program will not be an exercise in verbosity but a document based on facts. It will include a program on social protection, the liberalization of foreign currency regulations, and the decentralization of not only trade but also industry.

Already tomorrow a proposal will be submitted to the Grand National Assembly to elect new leadership of the Bulgarian National Bank.

Interior Minister Danov Explains Ministry Changes

AU0801150691 Sofia DUMA in Bulgarian 4 Jan 91 pp 1,2

[Khari Boev report: "Main Investigation Department Will Be Separated From Ministry of Internal Affairs, Minister Danov Says; Other Changes Prepared"]

[Text] The restructuring of the Ministry of Internal Affairs and the organs of law and order must follow the changes in society and in the crime scene, Minister Khristo Danov said at a meeting on 3 January with members of the Club of Crime Reporters. He refrained from specifying the imminent changes in the ministry, because they must be effected by the parliament. According to him, the obvious step is that the Main Investigation Department must be separated from the Ministry of Internal Affairs. This change is related to the division of power within the state. It is undisputable that the militia, regardless of whether or not it is called the police, will remain within the Ministry of Internal Affairs. Provisions have been worked out about what other organs, departments, and subdepartments should remain in the ministry. Those provisions will be discussed and then submitted to the Grand National Assembly. This applies to the Border Troops, the Internal Troops, and the "Red Berets."

We must all make efforts to enhance the prestige of the organs of law and order, Minister Danov said and pointed out the role of the mass media in this regard. Unfortunately, the uniformed militia member is the subject of much reproach. This is the heritage of the previous system, Minister Danov said and pointed out many examples that testify to the changed role, responsibility, and improved professionalism of the uniformed militia in the process of consolidating democracy. The minister expressed the wish that members of the Bulgarian Militia will soon enjoy the same kind of prestige as their British colleagues. Only then will the Ministry of Internal Affairs—a ministry with an unpleasant reputation—become an institution to which anyone can readily turn for help, the minister said.

I never thought that I would become minister of internal affairs, Mr. Danov said. He does not even like crime stories. He has had some problems with the militia and thus hesitated long before accepting the post offered to him. In real democracy ministerial posts are not political but professional, he said. We are a provisional government of hope or the government of provisional hope, he said.

Mr. Danov positively assessed the changes effected by General Semerdzhiev, as well as the high degree of professionalism of the employees he has met so far. In working out the draft laws we are trying to achieve the level of professionalism those people are accustomed to, Minister Danov said. In this sphere Bulgaria will use the experience of any country, if this experience is beneficial and applicable to the conditions in Bulgaria.

In connection with rumors that former employees of the Ministry of Internal Affairs and State Security who were fired have removed documents and even complete files, the minister said that he had ordered an investigation into the matter and that such people be traced and held accountable.

While the Ministry of Internal Affairs will become a rather open ministry, like all other ministries that involve special services access will not be absolute. You must agree, Minister Danov said, that the National Service for the Protection of the Constitution also deals with rather delicate tasks. Undoubtedly, access to state secrets must be a matter for special authorization, as is the case all over the world. As far as old archives or police files are concerned, access to them will be granted on the basis of legal procedures.

For obvious reasons, little information will be disclosed about the methods used in the struggle against crime, and specific related activities.

The slower a law is enacted, the better it is, Minister Danov said. He cited as an example Decree No. 56, whose preparation was accelerated in connection with Mitterrand's visit to Bulgaria. It has already been amended eight times, and will be amended again. In this context Mr. Danov assessed positively the work of the Bulgarian Parliament. A framework law on the Ministry of Internal Affairs is currently under preparation. According to Mr. Danov, it must be called a law on the organization and functions of the Ministry of Internal Affairs. In addition, separate laws regulating the work of the component departments of the law and order organs will be submitted.

Khristo Danov categorically stated that there would be no let up in the struggle against speculation, corruption, and bribery.

Finance Minister Kostov on Anticrisis Measures

AU0801134691 Sofia BTA in English 1324 GMT 8 Jan 91

["Finance Minister: Perfectly Balanced Budget Not Needed at Any Price"—BTA headline]

[Text] Sofia, January 8 (BTA)—"168 Chasa," the Union of Private Entrepreneurs' weekly, today carries an interview with Mr. Ivan Kostov, minister of finance in the new cabinet. "The requirements of the IMF are drastic; they seem quite simple and clear but they are hard to achieve in the conditions of Bulgaria," he says.

According to Mr. Kostov, the mechanisms for getting the crisis under control are known but the government still lacks the tools to set them in motion. "The program which is to be implemented by the cabinet meets the conditions laid by the IMF, it will follow its pattern but it will become specific to Bulgaria only if we state clearly and unequivocally that we have to cope with a national catastrophe," Mr. Kostov points out.

The minister of finance says it would be realistic to regard the budget as the crucial factor of a way out of the crisis. The government plans to introduce deep cuts in subsidies for money-losing productions without taking them out of business. According to Mr. Kostov, this will keep the expected job losses to an acceptable range of 200,000 to 250,000 and will prevent long-term unemployment. The government is not seeking a perfectly balanced budget at any price, the price reform will also be moderate in order to avoid the sharp shock of a manifold rise of the cost of living, Mr. Kostov explains. Yet, Bulgarians will have to make do without a number of things: travel abroad, purchase of consumer durables, maybe vacation at the seaside and in the mountains. They will spend mostly on food, medicine and education.

According to him there were huge gaps in (the) government program suggested by the former Prime Minister Lukanov along with blunders in interest policy and foreign debt servicing and backing out of major social commitments.

New Visa, Passport Regulations Reported

AU0801144391 Sofia DUMA in Bulgarian 4 Jan 91 p 1

[Violeta Simeonova report: "Visa and Passport Fees Will Not Increase for the Time Being; However, There Is a One-Month Waiting Period"]

[Text] In recent days, urgent exit visas and international passports have been issued in special cases. According to Aleksandur Stoimenov, head of "Passports and Visas" Department, this category includes citizens who travel abroad because of the death or illness of a relative, collective groups, citizens who already have tickets, and so forth.

In all other cases the legal term for issuing the exit visa or passport is 30 days. Since one must have an exit visa to register in a group tour, the one-month waiting period becomes a vicious circle. The lines in front of the counters where visas and passports are issued resemble rallies. Some 200 people register daily in the waiting lists.

The "moratorium" on rapid services was caused by the excessive lines for visas and passports, prompted by the rumor that the fees will be increased to 500 leva. Mr. Stoimenov explained that the personnel in charge of processing the document cannot cope any longer with the pressure, and therefore the one-month waiting period was introduced.

We were forced to impose a limit and accept only a number of documents which can be processed within 30 days, Aleksandur Stoimenov said.

In connection with the rumors he categorically said that the fees will not increase. Furthermore, already last a year a draft law was submitted on changing the foreign travel passports and abolishing the exit visas. According to the experts, the state budget will not suffer much if the minimum fee on issuing exist visas is abolished. Amending the law is a matter for the Grand National Assembly, and it still has not discussed the proposal.

'Social Peace' Agreement Signed With Unions

AU0801214091 Sofia BTA in English 2020 GMT 8 Jan 91

["Bulgaria Has Taken the First Step to Market Economy"—BTA headline]

[Text] Sofia, January 8 (Boyko Borisov, BTA)—The signing today of the agreement between the government, the trade unions and the employers on preserving social peace marked the first step taken by Bulgaria towards a market economy after more than a year of infighting and stalling.

The document was signed by Prime Minister Dimitur Popov, by the leader of the Confederation of Independent Trade Unions, Krustyu Petkov, the vice president of the Podkrepa Labor Confederation, Doncho Ivanov, the chairman of the Association of Managers Stoyan Drundarov and by leaders of private business associations and of the cooperative movement.

In a statement after the ceremony the prime minister described the agreement as a historic document, a social treaty which marks the beginning of economic reforms. He urged for 200 days of social peace, in spite of the inevitable hardships in the transition to a market economy.

"We have made a step towards each other and have agreed on a common course which would save all Bulgarians," said Mr. Krustyu Petkov, leader of the Confederation of Independent Trade Unions. He explained that

the stand of the trade unions was not "concession" but a responsible step towards radical reforms in the ailing Bulgarian economy.

Mr. Doncho Ivanov, vice president of the Podkrepa, said that the confederation accepted the conditions for the reform which had been concerted with the International Monetary Fund, instead of "fighting the fund as the trade unions in some developing countries do".

On behalf of employers Mr. Stoyan Drundarov expressed his satisfaction over the establishment of preconditions for keeping enterprises functioning in the transition period.

Following are the obligations undertaken by the signatories to the trilateral agreement.

The government has undertaken to combine the lifting of price control, privatization, state apparatus, army and security body cuts with a complex of measures guaranteeing the minimum of subsistence, neutralization of excessive unemployment and protection of the savings of the population.

The decision to lift price control will be adopted by the end of January. The control over the prices of all goods, with the exception of those for electricity, central heating, petrol and diesel fuel used for various purposes, natural gas and coal, will be lifted. The prices of 14 basic foodstuffs (bread, meat, milk and milk products, sugar and paste products) and public transport fares will remain under the observation and preventive control of the government.

What will the results be, bearing in mind that the money accumulated in Bulgaria exceeds the commodity fund of the country 3 to 4-fold, as Deputy Prime Minister Aleksandur Tomov has told the BTA?

Evidently the aim of the cabinet is to curb super inflation by means of an "expensive money" policy combined with a stepped-up process of privatization. The basic interest rate, including that for deposits, will be increased to up to 15 percent a year two weeks before the control over prices is lifted. The principal privatization laws for all spheres of the economy (for the sale of state property under the control of a special agency, etc.) will make it possible "for those working on a regular job to buy shares at a nominal price amounting to up to 20 percent of the value of the enterprises in which they are employed as well as to receive favourable credits to this purpose". The funds accumulated through privatization will be channeled mainly for paying off the internal state debt. The agreement envisages the state budget deficit not to exceed 4.5-5 percent of the national income—a condition on which the International Monetary Fund insists.

Apart from the cuts in the Army, security bodies and foreign representations, investments will also be reduced drastically to the level of the needs for completing projects in the field of healthcare, education, ecology and the social sphere.

Lifting price control and changing interest rates will be followed by lifting the control over the exchange rate of the Bulgarian lev. The first stage will be the introduction of an inter-bank exchange rate.

At the same time, a new minimum salary is to be introduced by the end of January, which will be in a 0.7 percent correlation to the social minimum calculated by a "basket" of 600 goods. Pensions, childrens' allowances, reliefs and doles will be compensated in proportion to the rise in the cost of living.

The two national trade union confederations undertook to refrain from effective general strikes and called upon their member trade union federations in the industrial branches to follow suit. The agreement was signed after being coordinated with the leaders of the industrial branch federations, said Mr. Petkov, leader of the Confederation of Independent Trade Unions, and Mr. Ivanov, leader of the Podkrepa.

The employers have also got their "pieces of the pie". The sides to the agreement undertook to review labor and social legislation till the end of January and to work out proposals, rationalizing the procedures for laying off employees in cases of collective labor contracts. The chairman of the Association of Managers Stoyan Drundarov told the BTA that this gives employers the choice to extend the contracts only of those workers who are really needed.

The agreement provides for establishing a system for registering and compensating the unemployed, for their requalification, for a flexible regulation of working time, for changes in the legislation and other measures aimed at limiting unemployment.

The government also undertook to deliver a minimum of raw materials, which, however, does not rule out the possibility of loss-making enterprises going bankrupt. The cabinet committed itself to step up the struggle against crime and pledged to give "preliminary glasnost" to all its activities and to solve controversial issues only through negotiations with its partners. That is why standing commissions, including representatives of the government, the trade unions and the employers are to be established with the Council of Ministers and the key ministries.

The agreement will be in force till the end of July, 1991. In answer to a question by the BTA whether this does not contradict the political forces' agreement to hold general elections by the end of May, Prime Minister Dimitur Popov said at a press conference today that the elections are an "integrated element of the agreement." He predicted that the present government would succeed in fulfilling the basic requirements of the agreement while still in office.

Tomov, Ludzhev Meet With TU Representatives

AU0801210491 Sofia Domestic Service in Bulgarian 1830 GMT 8 Jan 91

[Text] On 8 January Aleksandur Tomov and Dimitur Ludzhev, deputy chairmen of the Council of Ministers, and a group of Grand National Assembly members, had a meeting with representatives of the trade unions in the power supply branch. The meeting was prompted by the long-standing demand of the trade unions that the present leadership of the Committee on Power Supply resign.

Various candidacies were discussed at the meeting. The names of the new members of the Committee on Power Supply will probably be published sometime this current week.

Lilov Predicts BSP Success in Elections

AU0801213391 Sofia Domestic Service in Bulgarian 2000 GMT 8 Jan 91

[Text] Aleksandur Lilov, BSP leader, thinks that the Bulgarian Socialist Party [BSP] will not only overcome its crisis, but again could unpleasantly surprise the opposition at the municipal and parliamentary elections, that will take place in the spring and summer.

At today's meeting with Sofia Socialists, Aleksandur Lilov expressed satisfaction with the progress of the reregistration campaign in the BSP, and said that the BSP will have a membership of 400-500,000, which according to him is enough to make the Socialists the basic political force.

The BSP chairman assessed the situation in the country as tense. Nevertheless, he pointed out that he sees light at the end of the tunnel. He based this opinion on the recently signed agreement between the political forces and the formation of the new government.

Aleksandur Lilov expressed dissatisfaction with the pace of party renewal, and related the renewal to seeking personal, moral, political, and whenever necessary—legal responsibility of those guilty of creating Bulgaria's present situation.

Ananieva Elected BSP Parliamentarian Chairperson

AU0801214491 Sofia BTA in English 2119 GMT 8 Jan 91

[Text] Sofia, January 8 (BTA)—Ms. Nora Ananieva was elected chairman of the parliamentary faction of the Bulgarian Socialist Party (BSP).

A declaration for supporting the political forces' agreement, signed on January 3, 1991, and for improving the legislative activity of the Grand National Assembly, was also adopted at the session of the socialist parliamentary faction tonight.

SDS Fails To Elect Parliamentary Group Leader

AU0801214291 Sofia BTA in English 2106 GMT 8 Jan 91

["UDF Still Has No Leader"—BTA headline]

[Text] Sofia, January 8 (BTA)—Tonight the parliamentary faction of the Union of Democratic Forces (UDF) failed to elect a new leader.

This will probably take place on Thursday. 37-year-old Stoyan Ganev from the United Democratic Center failed by two votes to win the leadership in the second ballot. Mr. Milan Drenchev, leader of the Nikola Petkov Bulgarian Agrarian Party, remained far behind.

Sources in parliament say that the election brings to light the contradictions between the big parties, such as the Bulgarian Social Democratic Party and the Bulgarian Agrarian Party on one hand, and the smaller parties on the other. Some MP's are inclined to attribute the conflict to the generation gap within the UDF. However, the prevailing view is that the differences have an ideological basis.

Motor Oil Production Shutdown in Pleven

AU0801122291 Sofia Domestic Service in Bulgarian 1000 GMT 8 Jan 91

[Text] Here is a long-awaited piece of news. Late last night, at 0130, the tanker Struma set sail from Novorossiysk. According to the reporter on duty at the Bulgarian Merchant Marine, the Struma will arrive at Neftekhim terminal in Burgas on Wednesday night, at about 0300. However, the news of the arrival of the tanker cannot avert the shutdown of production at the Burgas Petrochemical Combine. According to preliminary calculations, the combine will stop production in any case on Wednesday for about 10 hours.

As well as the Burgas Petrochemical Combine, the petrochemical combine in Pleven also faces serious problems due to the lack of raw materials. At the moment the combine is operating at barely 70 percent of its capacity. Our correspondent Tsvetan Tsenov reports more details.

[Begin Tsenov recording] The catalytic reforming plant for gasoline production and the installation for hydraulic oils and kerosene have stopped work. The former plant has received no supplies of low-octane gasoline for the production of automobile gasoline, while the second plant has received no deliveries of hydrogen.

Nikola (?Pokovski), chief director of the combine, told me this morning that unless arrangements are made for delivery to the combine of the Libyan petroleum which the installations are adapted to process, very soon the country will be left without any basic motor and machine oils. This means that the turbines, compressors, machines, and almost all types of road vehicles will stop.

The combine's management insists that as soon as the tanker with Libyan crude oil arrives, it should be quickly unloaded, and that the oil should not be divided between the Burgas and Pleven combines, but should be sent only to Pleven. As is well-known, the Pleven combine is to receive only 30,000 tonnes of oil from the tanker Khan Asparukh, which is carrying 78,000 tonnes of petroleum needed for the efficient operation of the Pleven combine. If more oil is not delivered, the combine will stop operations on 17 January.

Therefore, in a telegram to Minister Ivan Pushkarov, the management of the combine suggests that new, so-called credit lines be sought in order to ensure the import of about one million tonnes of petroleum and 150,000 tonnes of fuel oil per month. Only if this is done, will the economy survive, and a number of industrial branches will start working at full capacity.

Last year the Pleven combine operated smoothly at about 80- percent capacity, and the country received the promised products. The workers and specialists should receive additional remuneration for their labor. They are prepared to work twice as hard, provided that raw materials are available. [end recording]

Our Varna correspondent Georgi Sreshtnikov has just reported that the fuel oil terminal at Varna Port is now discharging 15,000 tonnes of Libyan oil, which is intended for the Pleven Petrochemical Combine.

Ethiopian Vice President Desta Arrives, Talks Begin

AU0801160191 Sofia BTA in English 1334 GMT 8 Jan 91

[Text] Sofia, January 8 (BTA)—Mr. Fisseha Desta, vice president of Ethiopia, arrived here on a five-day visit at the invitation of the vice-president of Bulgaria Mr. Atanas Semerdzhiev.

The official talks started today. The Ethiopian guest and his party are to meet President Zhelyu Zhelev, Mr. Nikolay Todorov, chairman of the Grand National Assembly, Prime Minister Dimitur Popov, Deputy Prime Minister and Foreign Minister Viktor Vulkov and leaders of the two main political forces in Bulgaria—the Bulgarian Socialist Party and the Union of Democratic Forces.

Zhelev Receives Ethiopian Vice President

AU0801214391 Sofia BTA in English 2037 GMT 8 Jan 91

[Text] Sofia, January 8 (BTA)—Today, Bulgaria's President Zhelyu Zhelev received Mr. Fisseha Desta, vice president of Ethiopia, who arrived in Bulgaria last night.

Bulgaria and Ethiopia are willing to revive their economic cooperation on the basis of their mutual interests and in compliance with the new political and economic realities in the two counties, it was pointed out today during the talks between Mr. Fisseha Desta and Vice President Atanas Semerdzhiev at whose invitation the visit is taking place. Mr. Desta and Mr. Semerdzhiev discussed the preparation of the forthcoming 8th session of the Bulgaro-Ethiopian Commission for Economic, Scientific and Technological Cooperation.

Mr. Desta and Mr. Semerdzhiev also exchanged information on the political situation in their countries and on the ongoing economic reforms—liberalization of legislation, providing opportunities for foreign investments and setting up joint ventures.

The two vice presidents discussed the positive tendencies in international affairs and the role of the East European countries in this process.

The two sides expressed their support for the UN Security Council resolutions for a peaceful settlement of the Gulf crisis.

Today the Ethiopian vice-president had a meeting with Bulgarian Foreign Minister Viktor Vulkov as well.

Zhelev Receives French Socialist Party Leader

AU0801195391 Sofia BTA in English 1756 GMT 8 Jan 91

[Text] Sofia, January 8 (BTA)—Today the president of the Republic Dr. Zhelyu Zhelev met Mr. Pierre Guidoni, national secretary of the French Socialist Party.

The guest showed interest in the problems of the country and in the reforms under way. Answering his questions Mr. Zhelev pointed out that after lagging behind in her democratic reforms Bulgaria is now showing a striving to make up for the lost time and at present there are almost no differences between the situation in this country and that in the Czech and Slovak Republic. As regards economic recovery according to the Bulgarian head of state the first positive results of the reform will be felt towards the end of the year. He acquainted the French Socialist with the work of the parliament and with the laws which the Grand National Assembly is to adopt. He explained why the representatives of the opposition had agreed to enter the government and stressed that in this way they proved their readiness to take the country out of the severe crisis.

The president expressed gratitude for France's readiness to render Bulgaria assistance in the process of her integration into the European structures.

Foreign Trade Ministry Corrects Klaus Statement

AU0801143791 Prague LIDOVE NOVINY in Czech 3 Jan 91 p 2

[Statement by the Federal Ministry of Finance; place and date not given]

[Text] The statement made by Finance Minister Vaclav Klaus in LIDOVE NOVINY No. 1 of 2 January 1991, that "whoever is registered in the register of enterprises does not need permission to buy convertible currency" does not pertain to conducting trade with foreign partners, but only to the possibility of acquiring foreign currency for the import of goods, as regulated by the law on convertible currency.

According to the still valid law No. 133/1990 on economic relations with foreign countries, conducting foreign trade still requires, with a few exceptions, not only registration with the register of enterprises, but also permission from the Federal Ministry of Foreign Trade.

A new law on economic relations with foreign countries has not been passed yet. Originally, it was anticipated that this law will be passed as of 1 January 1991. One reason is that the Federal Ministry of Foreign Trade presented the draft too late for a debate, and the second reason is that in this draft there were some unclear questions about the sphere of competence. It is probable that the new law will be passed before the end of the first quarter of 1991. The inaccuracy in the statement was caused by the fact that the interview has not been presented to the minister for authorization.

On the subject of the ministry's communication we want to make it clear that the interview has not been authorized, not because of negligence, but because we wanted to provide information to our readers in the shortest time possible. Please excuse the inaccuracy.

Devaluation of Currency Seen as Anti-Slovak Move

AU0701142591 Bratislava NARODNA OBRODA in Slovak 3 Jan 91 p 3

[Igor Zvach commentary: "The Devaluation Brings Problems"]

[Text] As soon as we had recovered from the shock of the previous devaluation, the Federal Ministry of Finance announced, shortly before the year end, another devaluation—this time, a substantial one. The Czechoslovak economy received a New Year's gift—a dollar worth 28 korunas. Explanation: to encourage exports and to restrict imports. The goal is noble—yet the means seem dubious to me, particularly in the view of the impact this will have on Slovak enterprises.

Slovak enterprises, as is generally known, supply semi-processed products and other components needed for final production. Let us mention the Slovak aluminum plants, ironworks, or nickel plants—not to speak about Slovak chemical plants and other—which are dependent, above all, on imports of raw materials. If devaluation is supposed to curb imports, then what are we going to curb here? Production in Slovak enterprises will have to be cut down and the consequence will be higher unemployment and, of course, lower supplies to Czech enterprises.

This is one side of the coin. On the other side we see that the internal market is already poorly supplied; for example—refrigerators or color televisions. These products are a rare commodity in our households. Their manufacture requires a number of imported components. With a devalued koruna, even more final products will have to be exported to import these components. That is, there will be few, or no products on the domestic market! This is why the devaluation of the koruna to the above-mentioned level of 28 korunas is very problematic. A prospective foreign bidder will take advantage of the koruna's low value during the so-called large-scale privatization. The conversion rate will be very advantageous for him. This situation will be very dubious for us in the future. National property is at stake here. We should care more about who is going to become its owner.

We should also mention the compound effect of the upcoming liberalization of prices and devaluation. Today, no one knows yet how high the "liberalized" retail prices will shoot up. Yet, a rough recalculation of the above-mentioned devaluation justifies the estimate that the price level will rise by 30 to 40 percent. If this rise compounds with liberalization—and it will—where will the prices stop?

Increased Financial Support for Pensioners Planned

AU0801214691 Bratislava PRAVDA in Slovak 5 Jan 91 p 2

[CTK report: "They Will Receive Support"]

[Text] Prague—In connection with the price changes, Petr Miller, CSFR minister of labor and social affairs, informed CTK yesterday that, among other things, his ministry has considered the need for measures to protect pensioners from the unpleasant impact of price increases. In preparation for this expected development, a sum of 10 billion korunas has been earmarked for this purpose. "I have submitted a draft government regulation," he said, "according to which not only the method for increasing pensions will be specified, but the conditions for the increase will also be specified. When fulfilling these conditions, the government should always make a decision on a specific pension increase. It should always make such a decision if the cost of living increases by 10 percent or if the average wage increases by five percent. If the draft is approved by the government next week, the social security administrations can begin to implement it. Pensioners will receive pension increases of eight to eleven percent in March. Old age pensions and invalid pensions will increase by at least 190 korunas. Small pensions which are the only source of income

will increase by 20 percent, that is, by 240 korunas for a single person and by 400 korunas for a couple."

CTK Economic Bulletin To Be Published Daily

AU0701195591 Prague SVOBODNE SLOVO in Czech 3 Jan 91 p 4

[CTK report in the "Briefly" column]

[Text] CTK will start publishing its EKONOMICKY BULLETIN [Economic Bulletin], a publication earmarked for the entrepreneurial sphere, every working day this year. Thereby it complies with the requirements of the subscribers to this special economic newsletter for faster passage of essential information to managerial personnel.

Devaty Explains Use of Secret Agent Files

AU0801142991 Prague LIDOVE NOVINY in Czech 3 Jan 90 pp 1, 2

[Interview with Stanislav Devaty, member of the Parliamentary Commission Investigating the Events of 17 November, by Jana Smidova; place and date not given: "The Files Were Not Destroyed"—first paragraph is LIDOVE NOVINY introduction]

[Text] As we have already reported in LIDOVE NOVINY, the Parliamentary Commission Investigating the Events of 17 November has at its disposal a register of the files of secret State Security collaborators. Although every member of the Commission has access to the register, the person most interested is Deputy Stanislav Devaty, who answered our several questions.

[Smidova] What period does the register actually cover, and how do you explain the fact that it was not destroyed like other State Security documents?

[Devaty] The file register was established in 1952 and until now it was managed by the regional Public Security Administrations. The register that came to us is almost complete. The only missing portion is a part of the records from Banska Bystrica from the beginning of the 1950s to 1967 and several pages torn out from the Bratislava register. I asked myself repeatedly why this valuable source of information has not met the fate of the other documents, why was it not destroyed. After the revolution, attempts were made—for example in Plzen—to eliminate the register. However, the initiators failed. I believe that the decisive forces in the State Security and other components simply did not expect such a substantial system change: they did not believe the changes would be so intense. They thought they would survive the first impact and expect a time to follow during which they will be able to employ their effective weapons, among which undoubtedly the file register belongs.

[Smidova] Now, however, the investigating commission has it at its disposal. Why precisely the commission?

[Devaty] We have worked with the register in the past. Then, however, it was a very difficult and ineffective activity. We had to travel from one regional administration to another and especially we had to learn how to read the complicated system. We did not know the simplest way toward truth and the responsible staff did not make the search for orientation any easier. Moreover, attempts were recently made to misuse the register. We are aware of a case when an administrative official attempted to blackmail an agent. This was one of the reasons why the commission asked that all the volumes be collected in Prague and left at its disposal. In the process, we met with a unanimous agreement in the Czech regions and with a surprise eventually giving way to willingness on the Slovak side.

[Smidova] Can you tell us exactly how you utilize the register?

[Devaty] As we mentioned already, all members of the investigating commission have access to the register. According to our internal agreement, however, we always work in pairs. In a very short time, we managed to uncover new correlations and new connections directly or indirectly related to the events of 17 November, to compare them to the already known information, and to find more data. We learned that a number of agents with cover names, whose files were not destroyed, remained in proximity to certain people. Today, thanks to the opportunity to use the register, we are able not only to identify but also to question these people. This way, we managed to get quite far. I personally consider it great progress.

[Smidova] You have already made use of vetting and further screening in the past.

[Devaty] In the framework of the investigation, if we wanted to identify an individual agent or a person, we used the method of vetting. We fed in the name and date of birth and the computer gave us the required information. The information then could be compared to data on microfiche stored in the Department of Statistics and Register of the Interior Ministry. This process, however, proved to be unsatisfactory. We learned that there were apparently intentional errors in computer data. Some names simply vanished. In these cases, the register is the only useful source. Of course, it is very complex work because the register contains, by my estimate, approximately one-half million pieces of information. Naturally, this does not mean that the number of individuals is the same. Some names appear here several times in different context.

[Smidova] Jiri Ruml, head of the commission, stated that during your investigation you encountered very interesting names. Have you contemplated their publication?

[Devaty] The parliament will decide whether we will or will not publish all results of our investigation. We will provide the parliament with partial information at the end of January and more complete data sometime in the

spring. Nevertheless, in the commission, we reached a consensus that the public should know the truth. After all, precisely now, when we have the file register, we are learning that the State Security network is still active. We are in possession of proof that a number of agents maintain contact with their superiors. It is obvious that the system functioning here for so long must have had a variant prepared in case of achange in the system, and according to our information, a portion of the network moved underground. The State Security collected compromising materials for many years. It uses them, and will attempt to use them in the future, to influence or destabilize the situation. It will be very difficult to stop this process. I believe, however, that the fact that our commission was given the use of the register is a significant step in the right direction.

President Havel Needs 'Rest,' 'Rehabilitation'

LD0901085291 Prague Federal 1 Television Network in Czech 1830 GMT 8 Jan 91

[Text] There have been numerous speculations in the press concerning the whereabouts of the CSFR president. Thus, CTK asked Ladislav Kantor, head of president's personal secretariat and protocol, for an explanation. He said: In the course of the past year the president took part in thousands of receptions, trips, and visits; and it is the doctors' view that he does indeed need a longer rest, linked with a spa treatment. The president's office has not disclosed the place of his stay only to protect the president's peace, needed for his rehabilitation.

New Unit To Counter Possible Iraqi Terrorism

LD0801182291 Prague CTK in English 1700 GMT 8 Jan 91

[Text] Prague January 8 (CTK)—The Czechoslovak Interior Ministry has set up a special security staff to strengthen the protection of offices representing Israel, Great Britain, the United States and other countries against possible acts of terrorism threatened by Iraqi President Saddam Husayn.

The staff was created in reaction to requests for protection by some diplomatic missions in Czechoslovakia, following public statements by Husayn threatening states which had sent forces to the Persian Gulf with terrorist acts. Comprising the staff will be representatives of the Czech and Slovak interior ministries, the federal Defense Ministry and the federal Ministry of Foreign Affairs. First Deputy Minister of the Interior Jan Ruml has been charged with leading the staff.

According to a spokesperson from the Foreign Affairs Ministry, on January 11 each of the three interior ministries (federal, Czech and Slovak) will issue an order for the security measures to be taken throughout Czechoslovakia.

Plane Sent to Middle East To Evacuate Citizens

LD0901083791 Prague Domestic Service in Czech 0500 GMT 9 Jan 91

[Text] A special aircraft left Prague on Tuesday night [8 January] for the crisis area of the Middle East. It was sent on the initiative of the Czechoslovak Ministry of Foreign Affairs for our citizens requesting to return home. So far 130 people have asked to return. If other employees in Czechoslovak representative offices or members of their families ask to return, another special aircraft is ready.

Reportage on Dienstbier Visit to Persian Gulf

WA0901124691

For reportage on the visit of Foreign Minister Jiri Dienstbier and his accompanying delegation to the Persian Gulf including talks held in Saudi Arabia, Oman, and the United Arab Emirates, see the Arabian Peninsula section of the 3 January Near East & South Asia DAILY REPORT and subsequent issues.

Deputies Appeal to USSR on Baltic Situation

LD0901055591 Prague CTK in English 2049 GMT 8 Jan 91

[Text] Prague Jan 8 (CTK)—Deputies of the Foreign Relations Committees of the Czechoslovak Federal Assembly appealed to the Soviet parliament today to try to push through political solutions to internal Soviet problems.

A short document signed by 25 deputies expressed their concern at the news that Soviet troops had been sent to the Baltic republics.

Given the sad experience of the Czechoslovak people with the use of force in solving political problems, the deputies believe that the present disputes between the Soviet republics and the central government cannot be solved by force but by a calm and objective political dialogue, the document said.

This morning the Czechoslovak parliament refused by a majority of votes to take a stand on the situation of the Baltic republics.

Austrian Plans for Power Plant 'Unrealistic'

AU0801125091 Prague CTK in English 1542 GMT 6 Jan 91

[Text] Bratislava Jan 6 (CTK)—An engineer from the V-2 nuclear power plant at Jaslovske Bohunice, West Slovakia, has told CTK that Austrian Chancellor Franz Vranitzky's project for compensating costs of electricity supplies to Czechoslovakia, worth 3,500 million schillings, would not be enough to cover the annual output of the plant if it were shut down.

Duty Engineer Ladislav Kalincik said that 5,400 million schillings annually would be required, given the present

exchange rates, not to speak of other costs, for instance, for the transmission of energy to Czechoslovakia, or across its territory from Poland to Austria. The Bohunice plant alone, which can work for another 23 years by international standards, generates 12,000 gigawatt hours of electricity annually, worth 600 million dollars.

Kalincik rejected as unrealistic the construction of a power source based on the use of the biomass, as Czechoslovakia did not have conditions for it as yet. "It would be more beneficial to the environment in this region if the Austrian side took more care of its polluted sector of the Danube," Kalincik added.

Payment Procedure Changes With SFRY Announced

AU0801214791 Bratislava VEREJNOST in Slovak 5 Jan 91 p 2

[CTK report: "Change in the Chart of Exchange Rates"]

[Text] Prague— The Czechoslovak State Bank yesterday announced that it would stop providing the exchange rate of the Czechoslovak koruna against the Yugoslav dinar in its exchange rate charts as of 7 January 1991. Since 1 January 1991, payments with Yugoslavia are effected in freely convertible currencies (the clearing dollar has been abolished). Czechoslovak tourists will no longer be provided with dinar cheques.

Calfa Praises UK Trade Cooperation Efforts

LD0801192391 Prague Domestic Service in Czech 1100 GMT 8 Jan 91

[Text] The Confederation of British Industry (CBI), which includes 250,000 industrial and trade firms, launched a so-called Eastern European Initiative at its session in London today. The aim of this initiative is to encourage British industrial and commercial circles to increase investment and trade cooperation with Czechoslovakia, Hungary, Poland and the Soviet Union.

The Czechoslovak Prime Minister Marian Calfa sent a special message to the CBI session on behalf of the Czechoslovak Government, the text of which was read by Czechoslovak Ambassador to the UK Karel Duda. Here is the text of the message as reported by our London reporter, Karel Kyncl:

[Kyncl] We respect the efforts of the Confederation of British Industry to establish economic contacts with the countries of Central and Eastern Europe, and with Czechoslovakia in particular, wrote Marian Calfa. He continued: I am strongly convinced that British enterpreneurs will find good, reliable trade partners in our country, and that in the near future fruitful and mutually avantageous cooperation will be established. Czechoslovakia has strong industrial foundations, a high quality labor force, and a long tradition of cooperation with the world. We have freed ourselves from the fetters of totalitarianism and we are determined to return to a market economy, with considerable participation by foreign partners. Through cooperation, we want to involve our country in the international economy.

Marian Calfa stressed in his message to London that our government also backs political cooperation with Great Britain, which has already successfully begun. Economic projects will help strengthen these ties in the long term, wrote Calfa. He added that the Federal Government is creating the necessary legislative preconditions to enable foreign participation in our national economy, but that mutually advantageous cooperation depends in particular on the initiative, enterpreneurial spirit and creative attitude of individual trade partners.

IMF Approves $1.783 Billion Financial Aid

LD0801114191 Prague Domestic Service in Slovak 0900 GMT 8 Jan 90

[Text] The International Monetary Fund has approved a credit of $1.783 billion to Czechoslovakia. The financial aid will be available in the course of the following 14 months; $900 million of the amount is meant to cover expenses caused by higher prices of oil and natural gas. IMF representatives state that the Czechoslovak economic reforms are now entering the decisive stage, which includes the liberalization of prices. They believe the credit will encourage private financiers and investers to grant other financial means to our economy.

Zlin's Mayor Resigns After Political 'Blackmail'

AU0801134491 Prague LIDOVE NOVINY in Czech 2 Jan 91 p 2

[Text] Zlin—Engineer Rudolf Vesely, Candidate of Sciences, resigned from his post as mayor at the second regular session of the Zlin representative council. He had been elected on behalf of the Civic Forum [OF]. He stated that within the framework of his employment at the Research Institute for Rubber and Plastics Technology in Zlin (research for military purposes) he had come into contact with State Security [StB] organs. Prior to the elections he signed a statement that he had never cooperated with the StB; he also passed through the screening process without mentioning this. When he took up his post as mayor, an anonymous person began to politically blackmail him. In the interest of the town's positive political and social development, he decided to make everything public and to retire from political life.

Civic Forum Liberal Club Introduces Itself

AU0901100091 Prague LIDOVE NOVINY in Czech 4 Jan 91 p 3

[Statement by the Civic Forum (OF) Liberal Club: "What Are We?"—first paragraph is LIDOVE NOVINY introduction]

[Text] Prague—A meeting of Civic Forum [OF] Liberal Club members took place in the Czech National Council on 2 January 1991. The goal of this meeting was a

formulation of the principal policy theses of this OF opinion current. The outcome of the day long session, which extended late into the evening hours is summarized in the "OF Liberal Club's Policy Principles."

The Liberal Club follows and remains true to OF's principles. The process of the transformation of our society is far from completed; a substantial part of the OF program has yet to be fulfilled. The reason for existence of a political force building on the principle of the broad civic cooperation is not yet obsolete. OF policy involves cultivating the common will and is intrinsically linked to the acceptance of civic responsibility for the state's operation and for the protection of rights of its citizens. Next to freedom, the principal liberal values are: openness, respect for the opinions of others, courage, and altruism. Freedom is understood here not as a simple liberation from some oppression but as an effective, active, and creative force.

We are trying for a modern civic society. Its prerequisite is privatization and its basis is market economy. A modern civic society requires a solid democratic and constitutional framework, which would guarantee the equality and rights of all citizens regardless of their economic situation and political belief. A well-arranged and effective social security system is a part of such a society. Such a system requires, however, next to the state funds and institutions, a network of civic activities, associations, interest groups, and voluntary organizations. We must revive as fast as possible this network, which was destroyed by the former regime.

Endeavors to transform OF into a strictly limited political party would deprive OF of its main strength and advantages and, above all, it would endanger the brave project of the economic reform itself, the implementation of which OF promised. An attempt at a radical limitation of the OF platform is also a dangerous reduction of the support for this reform.

What Is Our Point of Departure?

We build on the basis provided by that which November 1989 brought to our life, and feel responsible for its development. Nevertheless, we know that the removal of totalitarianism from our life is not finished. We have to deal with the decades of communist rule. Only a small part of our sad heritage will be made good by exonerations, restitutions, and sentences to those who violated laws. The greatest labor awaits us in overcoming our own bad habits, suspiciousness, egotism, and passivity. We want to face these vices with open politics, an emphasis on responsibility of an individual for himself, support for all civic activities, and certainly also by cultivating responsibility toward the weak. First of all, however, we must create such conditions under which the good human features represent the way to success.

We cannot erase the past from our history. Even the attempt at reforming the communist system in 1968 is a part of this period. It is a part of our history as a proof of the implausibility of a reform of that system.

What Is Our Goal?

Our goal is the fastest possible formation of an economic and legal system enabling our integration into the European Community. A membership in the confederation of European states into which the European Community is slowly converting will not be possible without good relations with our neighbors and without economic and security cooperation within the Central European region. We can contribute to this region only as an internally stable federation and as a well-functioning legal state. We need to form a new and trustworthy state administration without compromised and inadequate officials. The purpose of our efforts is the return of dignity to citizens, i.e., the cognizance of the state and of all its parts as a service to citizens.

We believe in economic freedoms and the economic significance of private ownership. Nonetheless, we insist on ethical obligations thereby implied. One assumes with property also a part of economic, social, and ecologic responsibility. The state ceases to be the only entrepreneur and will influence the economy by means of currency, taxation, and credit policies. A rapid enforcement of the market relations is the basis for the revival of a prosperous economy. The social and ecological horizons must not be bypassed in such an economy.

An important task for us is also the revival of good interhuman relations, the revival and strengthening of the family, and the revival of moral and spiritual values.

Anti-Havel Slogans Chanted in Bratislava

LD0801223691 Prague Domestic Service in Czech 2030 GMT 8 Jan 91

[Text] The Movement for an Independent Slovakia [Hnuti za nezavisle Slovensko] held its first meeting this year in the Slovak National Uprising Square in Bratislava today. Speakers again strongly criticized political representatives of Czechoslovakia and of the Slovak Republic [as heard] for their attitudes toward Slovak problems. Participants in the meeting supported speakers by chanting slogans. In addition to the usual slogans, "There has been enough of Havel" was also heard several times. Representatives of the Movement for an Independent Slovakia demanded yet again a referendum on the independence of the Slovak Republic.

Slovak Arms Plants To Phase Out at Slower Pace

LD0901055991 Prague CTK in English 2143 GMT 8 Jan 91

[Text] Bratislava Jan 8 (CTK)—The Slovak Government decided today that arms manufacturing plants can continue their production if they have customers for the products they have been making to date, Deputy Prime Minister Jan Carnogursky told journalists during the session.

Carnogursky said that the plants will continue to be converted to other than arms manufacture, but at a

slower pace than to date. (The decision on the conversion of plants making heavy weapons to other kinds of production had been taken by the Federal Government.)

Acording to Carnogursky, the Slovak government is concerned lest a quick conversion affect "several tens of thousands" of jobs in the related industries.

A government communique said that civilian programs are to compensate 15 per cent of arms production this year and 30 per cent in 1992.

Carnogursky said that the Slovak government inherited some 80 per cent of Czechoslovakia's arms producing plants under the law on power-sharing at the beginning of this year. He said the government would have to endorse decisions on the arms sales.

Slovak Economics Minister Jozef Belcak said the reduction of arms production in central Slovakia amounts to some 10,000 million crowns while new programs provide for only 5,000 million.

Carnogursky also announced that the Slovak government is planning to double daytime telephone charges. He said that it approved Czechoslovakia's accession to Council of Europe accords recognizing documents on graduation from secondary schools and universities.

Walesa Writes to Bush on Gulf Crisis

LD0901082991 Warsaw Domestic Service in Polish 0700 GMT 9 Jan 91

[Text] In connection with the growing crisis in the Persian Gulf and with present attempts to find a peaceful solution, President Lech Walesa has sent a letter to U.S. President George Bush. Poland attaches great importance to the U.S. initiative in this sphere. Poland stands on the ground of fully respecting and implementing UN Security Council resolutions concerning the crisis, the letter reads.

Walesa Continues Political Consultations

LD0801221591 Warsaw PAP in English 2127 GMT 8 Jan 91

[Text] Warsaw, Jan. 8—Polish President Lech Walesa continued today his political consultations. He met in the Belvedere Palace here with Ewa Wierzbowska of the Association of the Wronged Owners of Warsaw Estates, Antoni Macierewicz, vice chairman of the Christian National Union and with leader of the Polish Socialist Party (PPS) Jan Jozef Lipski.

On Wednesday the president is expected to meet with Polish Primate Cardinal Jozef Glemp.

Following the meeting Antoni Macierewicz told newsmen that he had been proposed participation in the work of an advisors' team to the president which is to group some 15 to 20 people invited by Lech Walesa.

Macierewicz accepted the proposal.

Having talked to the president, Jan Jozef Lipski stated: I better understand his concept of setting up a political council. This does not mean, however, he added, that I have got rid of doubts and apprehension to what degree this body might compete with the constitutional political organs.

The party's main council is to decide next Saturday about the participation of PPS representatives in the presidential council.

Spokesman for the president, Andrzej Drzycimski told newsmen that the political council remains in the focus of the consultations.

There are numerous organizations and groups that have been overlooked in the first round of the consultations and the president will try to talk to them now, Drzycimski stated.

The spokesman also opined that a good acquaintanceship between professors Ziolkowski and Skubiszewski will ensure the conflict-free functioning of the secretary of state for foreign affairs at the presidential office who is to deal with the strategy of international issues while current problems in the foreign policy will be dealt with by the government.

Bielecki Meets U.S., USSR Envoys

LD0801162691 Warsaw PAP in English 1553 GMT 8 Jan 91

[Text] Warsaw, Jan. 8—Prime Minister Jan Krzysztof Bielecki here today received U.S. Ambassador to Poland Thomas W. Simons. The premier also received charge d'affaires a.i. of the Soviet Union (in absence of the Soviet ambassador) Lev Klepatski.

After the meeting, Ambassador Simons said that he conveyed to the Polish premier a congratulatory letter from President George Bush, in which the President expressed a will for the continuation of permanent cooperation of the United States with Poland on her road towards democracy and free market. The ambassador also added that he discussed with Bielecki a number of issues dealing with the broadening of cooperation, including the question of Poland's debt.

Lev Klepatski said that during his meeting with the premier, the two discussed, among other things, two key issues—the not so good state of bilateral economic relations and ways of their improvement in the new situation of financial settlements. The second issue dealt with the material aspect of the now prepared withdrawal of Soviet troops from Poland. I think that our talk was a constructive continuation of some of the points expressed by the premier in his expose, said Klepatski.

Assessing the visits, the prime minister told newsmen that the two meetings were useful. Bielecki stressed that Poland needs support in the process of transition from a totalitarian system to a democracy.

We need such support of the U.S. which would enable us to maintain the position of a pioneer of changes in Central and Eastern Europe. This concerns, among other things, our sense of security and greater inflow of Western capital, said Bielecki.

Speaking on relations with the USSR, the premier, pointing to their many-year tradition, stressed the existence of a number of problems demanding solution. One has to speak about them, we are interested in the development of good neighbourly relations, Premier Bielecki said.

In the afternoon, the premier took part in Sejm hearings of candidates for cabinet posts.

Skubiszewski Remarks on Foreign Affairs Priorities

LD0801163691 Warsaw TVP Television Network in Polish 1500 GMT 8 Jan 91

[Text] Candidates to ministerial posts in Jan Krzysztof Bielecki's government have been questioned by Sejm commissions. First to stand before the Sejm commission on foreign relations and contacts with Poles abroad was the candidate for the post of minister of foreign affairs.

Krzysztof Skubiszewski said he regards developing relations with Germany and restructuring relations with the Soviet Union—which has been done too slowly—as the most important tasks of the ministry. Asked about the lifting of visa requirements for Poles traveling to Germany and other western countries, he said that there are prospects for that, but the attitude of western countries toward the issue largely depends on the behavior of our citizens while abroad. As regards the Middle East conflict, Poland respects the UN Security Council resolution. The sending of Polish troops to the region has not been contemplated. The possibility of reinforcing Polish medical personnel already there is being examined.

Krzysztof Skubiszewski also answered questions concerning Poles in the USSR, the issue of citizenship of Poles living abroad, personnel verification in the Foreign Ministry, and the activity of Polish cultural centers abroad. The commission unanimously decided to support Krzysztof Skubiszewski as foreign minister.

Delegation To Discuss USSR Troop Pullout

LD0801234191 Warsaw TVP Television Network in Polish 2220 GMT 8 Jan 91

[Text] Prior to the negotiations on the withdrawal of Soviet troops from Poland, which are to take place in a few days' time in Moscow, a delegation made up of representatives of the USSR Supreme Soviet, soviets of union republics and the Northern Group of Soviet forces is visiting our country. The delegation held talks with the foreign affairs and national defense commissions of the Sejm and the Senate.

As a result of the large-scale withdrawal of Soviet forces from Germany, Czechoslovakia, Hungary, and Poland, 200,000 servicemen's families which have returned to the Soviet Union now have nowhere to live, the representatives of the Soviet delegation announced. The deteriorating living conditions of this group carry the threat of an outbreak of dissatisfaction and threaten the processes of democratization of life in the Soviet Union. That is why Poland should not insist on the previously agreed deadline for withdrawing Soviet troops by the end of this year. It is not a realistic deadline, the Soviet delegation argued.

It is clear to everyone that there are no justifications for stationing foreign troops in sovereign Poland. The Soviet troops in our country number some 100,000 servicemen with their families. In the autumn of 1989, after preliminary agreements, the first units began to leave Poland. So far some 8,000 servicemen have returned home. We are the only country that so far has not signed a treaty with the USSR determining the deadline for and method of withdrawing Soviet troops. Even Mongolia has such a treaty.

We would like to settle all accounts and leave Poland with dignity and honor, said a representative of the command of the Northern Group of Soviet Forces. For technical and organizational reasons, this is not possible by the end of this year.

The representatives of the Polish parliament emphasised that keeping the Soviet Forces beyond the necesary deadline cannot be reconciled with the Polish raison d'etat. Keeping to the deadline is a condition of the Polish authorities' credibility before the public. Poland has to sign a new treaty with the Soviet Union as quickly as possible. The treaty that has been in force since 1956 is obsolete. The treaty has to determine the deadline for the complete withdrawal of troops as well as the conditions for their stay in our country. Issues such as transport, the manner of handing over the facilities, the problem of buildings erected without the Polish authorities' agreement, charges for water and power, as well as environmental protection have to be regulated.

Zdanowicz Comments on Future of Democratic Union

PM0801144591 Szczecin GLOS SZCZECINSKI in Polish 27 Dec 90 pp 1-2

[Interview with Zbigniew Zdanowicz, member of the Democratic Union National Provisional Organizing Committee, by Andrzej Suprynowicz; place and date not given: "Is It a Firm Union? Still Concentrating on Their Differences and Overlooking What They Have in Common"]

[Text] [Suprynowicz] The Szczecin delegation set off for the Democratic Union's Saturday's meeting in Warsaw without having achieved a unity of opinion on the future shape of the Union. Are your views less divergent today?

[Zdanowicz] I would not say that our views were not convergent before. We were all agreed as to the main principles. We went to Warsaw to join in the process of creating the Union's structure, statute, and program. We also wanted to acquaint ourselves with how representatives of other voivodships view the future model of the Union. In any case, Tadeusz Mazowiecki had asked us all to present our views to him. And this is what he got.

[Suprynowicz] During the earlier meeting in Szczecin, activists from the Citizens Movement for Democratic Action [ROAD] group were clearly in favor of a coalition composed of organizations which could preserve their own structure and their separate identity. This position caused a distinct division between the delegates present at the meeting. As far as I know, ROAD activists from Warsaw were also predominantly in favor of their movement's preserving an autonomy within Union structures.

[Zdanowicz] There is a widespread desire for a future fusion between the ROAD, the Democratic Right Forum [FPD], and the so-called independent organizations within the Union's framework. At the same time we observe, on a nationwide scale, a mass influx into the Union of people hitherto not belonging to any political groups. For these members, the differences stemming

from the program divergences between the ROAD and the FPD are not very important. On the other hand, they have confidence in Prime Minister Mazowiecki, the people around him, and his style of work and action. At the moment these people constitute the bulk of our membership and exceed the numbers of our ROAD-hailing members.

[Suprynowicz] What is the ROAD's reaction to this situation?

[Zdanowicz] Voices are heard also from their side which strongly insist on bringing about a fusion. However, I do not perceive any great danger in allowing the ROAD to maintain its separate organizational identity. This is because the principal tenet of our whole camp's program is the struggle for democracy in Poland. This is the main cohesive element uniting all present and future Union members. On the other hand, certain program differences are not only inevitable but even desirable from the viewpoint of sound political practice.

[Suprynowicz] The position assumed by the FPD, the Union's second signatory, merits particular interest. It is generally considered to be better organized and to possess a superior program, but at the same time it is seen as more elitist. It even looked as if the FPD maintained a certain distance during the Union's Warsaw meeting.

[Zdanowicz] I believe that all these opinions are slightly overemphasized. People keep concentrating on their differences and overlooking what they have in common, that is, the shared course in the direction of democracy.

[Suprynowicz] Let us, then, go back to your Szczecin meeting. On that occasion you yourself proposed taking, as it were, a shortcut in your mapped-out route. In other words, you recommended that a separate, "pure" group be set up, comprising some 2,000 members, which should offer its services directly for Tadeusz Mazowiecki's disposal. This would give him scope for operational ease of action and allow him to avoid having to conduct constant negotiations with the ROAD and FPD.

[Zdanowicz] This idea proved popular not only in Szczecin. During our Warsaw meeting it turned out that it is being put into practice throughout the country. You can find people who are not ROAD or FPD members organizing themselves within the Union framework. This phenomenon will doubtless find its reflection in the Union statute.

[Suprynowicz] The Union's Founding Committee has been in existence since Saturday, and a Szczecin resident, Jozef Kowalczyk, is one of the several members of its presidium. Does this reflect the rating of the Szczecin democratic opposition groups in the Union?

[Zdanowicz] It does indeed, since—apart from Deputy Kowalczyk, who is a member of the inner provisional presidium, two other Szczecinians have been elected to serve on the program commission: Marek Przygodzki and Artur Balazs. As for myself, I have been elected to serve on the statute commission. Premier Mazowiecki clearly insisted on having several Szczecin representatives in the Union's provisional power structures.

Sejm Discusses Debt Repayment Problem

LD0801222291 Warsaw PAP in English 2154 GMT 8 Jan 91

[Text] Warsaw, Jan. 8—"Poland's debt owed to all its creditors at the end of last year totalled 46.1 billion dollars," Vice Minister of Finance Janusz Sawicki told the Sejm Foreign Economic Relations and Maritime Economy Committee.

Last year, Poland cut due repayment of its foreign debt (6.8 billion USD) to a sum of 700 million USD, covering only new credits and not those arising from agreements with the Paris Club and the London Club.

According to forecasts, such will also be the case this year as Poland will have minimum capabilities to repay its obligations to both clubs—grouping state and private bank creditors—and the USSR.

Also in the long term there is little room for an increase of the repayment of Poland's debt. The Ministry of Finance forecasts indicate that Poland is capable of meeting its obligations in 12-20 percent of interest falling in a given year. The method of continuous debt rescheduling could leave Poland with a staggering indebtedness of over 100 billion dollars in the year 2000.

The Polish Government asked for a substantial reduction of the debt last May. It wants to service the debt at a annual level equal to 2 percent of the nominal value of the debt which in practice would stand for an 80-percent debt reduction, postulated by Poland.

Arms Reductions, Restructuring Detailed

LD0801192591 Warsaw PAP in English 1536 GMT 8 Jan 91

[Text] Warsaw, Jan. 8—The treaty on reduction of conventional armed forces signed in Paris last year sets the maximum quotas on armaments in Europe. Since 1989, Poland has been undertaking restructuring efforts to limit her military potential.

As a result, on December 31, 1990, the Polish Armed Forces were equipped with 2,850 tanks (including only 757 modern T-72 ones), below the January 1989 figure of 3,350 and above the quota of 1,730, 654 fighter planes (with the quota set at 460), 2,377 armoured personnel carriers (4,855 in January 1989, quota 2,150), 40 combat helicopters (quota 130), 2,300 pieces of over 100mm artillery and missile launchers (3,065 in January 1989, quota 1,610).

The treaty provides for a 40-month period for reduction of particular kinds of weapons.

Some of the Polish equipment is obsolete and it is rather doubtful that it could be resold. Poland is facing big

purchases. Expenses could be reduced owing to a possible agreement with Germany providing for Poland's taking over of some modern equipment of the former GDR army.

USSR Causes Shipyard Financial Problems

LD0801192291 Warsaw PAP in English 1539 GMT 8 Jan 91

[Text] Szczecin, Jan 8—The Szczecin based Adolf Warski Shipyard may face serious financial problems in connection with the shift to dollar settlements between Poland and the Soviet Union as of January 1 of this year.

Warski has an order, signed by Soviet partners, for the construction of four ships this year, however the Soviets are avoiding talks on new dollar prices.

The delay in completing the ships may bring serious financial losses to the shipyard which froze a billion zloty credit in the hulls.

New Radio, TV Chief Terlecki Outlines Plans

LD0801223191 Warsaw PAP in English 2202 GMT 8 Jan 91

[Text] Warsaw, Jan. 8—Meeting the press today, Marian Terlecki, the new president of the radio and television authority called Radio-Committee, announced the latter would be dissolved. In the communist period the Radio-Committee was a powerful propaganda tool.

The new president wants the Sejm (lower house) to transform the radio-committee into a council of radio and television which would be a social and not administrative body, one coordinating action and not directing it. Among its key tasks will be to decentralize TV programs by introducing local programs on Channel 2. Channel 1 is to retain its character while becoming more attractive.

Retail Prices To Rise Six Percent in Jan

LD0801204691 Warsaw PAP in English 1911 GMT 8 Jan 91

[Text] Warsaw, Jan. 8—According to the Finance Ministry, retail prices of consumer goods and services will go up in January by six per cent against an average level of these prices in December, 1990.

Government Spokesman Holds Weekly News Conference

Economic Reform Discussed

AU0801192091 Bucharest Domestic Service in Romanian 1800 GMT 8 Jan 91

[Text] Government spokesman Mr. Bogdan Baltazar held his weekly news conference at the government's headquarters today. The conference was attended by correspondents of big international press agencies and Romanian journalists.

To begin with, Mr. Baltazar emphasized a few things in connection with the government's meeting yesterday. The first part, which lasted for five hours, was devoted to examining the way economic reform is being applied. The prime minister expressed dissatisfaction with the fact that no ministry had succeeded in decisively opening up toward the reform. From this point of view, Mr. Baltazar specified, the government meeting was a genuine meeting against bureaucracy, immobilization, and lies; things that can be noted in certain unit leaders who have not gotten rid of former mentalities yet.

Continuing, the government spokesman—referring to a piece of news broadcast by REUTER, which said that more than 200,000 employees would be affected by limiting the activity of some units which consumed a lot of energy—emphasized that, in fact, this figure will total at most 65,000 people who will be redistributed within other sectors of activity, while others will be paid 50 percent of their wages until the introduction of the unemployment law.

Continuing his news conference, Mr. Baltazar answered questions asked by journalists.

Ex-King Mihai's Visit Viewed

AU0801214991 Bucharest ROMPRES in English 2100 GMT 8 Jan 91

[Text] Bucharest ROMPRES 8/1/1991—Speaking of slacking economic activities as a consequence of diminishing power and raw material resources, which formed the focal point of the government's Monday meeting, government spokesman Bogdan Baltazar refuted, at his weekly news briefing, the allegation of a REUTER news item that the afore-said slow-down would leave about 200,000 people unemployed. He made it clear the figure would be maximum 60,000 to 65,000 persons who are to benefit from 50 percent of their monthly basic pay until the unemployment law is passed. He specified that the 200,000 REUTER mentioned could be the number of those advised to re-qualify, but by no means the number of those "made redundant."

The spokesman stated that a great part of the draft law submitted by government to Parliament for debates and approval, as well as some of its own decisions fail to be implemented in the spirit they were conceived due to the persistence in intermediate decision posts and at the head of enterprises of people inapt to respond to the requirements of the economic reform, of people that are sometimes reluctant to the reform and due to proliferating corruption, to inefficiency of economic authorities, to incorrect taxation of profits.

Replying to questions about ex-King Mihai's visit to Romania, spokesman Baltazar re-stated the executive's position as it was made known in previous declarations. He specified, among other things, that there was no change in this respect and that Romania's government had already initiated a first contact with the former monarch to remind him of Decree No. 137 of May, 1990 which stipulates that any Romanian national/former citizen may regain his/her Romanian citizenship by filing an application to this effect, as is the case of the ex-King whose Romanian citizenship was withdrawn on the strength of a deed issued by his very predecessors. Consequently, said the spokesman, Romania is open to anyone who thinks is entitled or wishes to become a Romanian citizen and the same holds true for the ex-king. Obviously, when the former monarch of Romania and his relatives have decided to have their Romanian citizenship restored in tune with the provisions of the said decree, the question of an entry visa to Romania will no longer arise. Ex-King Mihai replied he would consider the matter and would inform of the decision he deemed fit.

Mr. Baltazar termed the National Liberal Party's [PNL] TV broadcast of 4 January 1991 as an "editing fringing the grotesque, against common decency, which can only debase political confrontation both before the eyes of the nation and before the eyes of other countries, to which the PLN strives to show itself as most sensitive, to a most boorish level, to quote a phrase used by Dan Lazarescu, PNL leader."

Former King's Citizenship Reportedly Restored

AU0801174091 Paris AFP in English 1638 GMT 8 Jan 91

[Text] Bucharest, Jan 8 (AFP)—Romania has reinstated citizenship for former King Mihai, who was forced to turn back only hours after flying into Bucharest last month, the Rompres news agency reported.

In Geneva, the former king's entourage said in a statement that he had "taken note with guarded satisfaction of the developments concerning the issue of his Romanian citizenship." The statement said the [former] king was satisfied that "derogatory" remarks made by a government spokesman after he arrived in Romania apparently "do not reflect the view of the government."

Culture Minister Andrei Plesu, who threatened to resign after the king was deported in December, said the decision was made at Monday's cabinet meeting and the former king "no longer needs a visa to return to Romania," according to Rompres.

In Bern, Romanian Ambassador Nicolae Iordaceh said that he had notified the ex-monarch of the move before the announcement in Bucharest. He added that former King Mihai would be able to regain his citizenship according to the rules set out by the government, which require that the person in question make a declaration and provide proof that they have been a Romanian citizen in the past.

The former king tried to enter the country on December 26 with a Danish diplomatic passport, but remained only 11 hours before he and his entourage were turned back. Mr. Plesu had condemned the ex-king's treatment at the airport, but will remain in his post following the decision to restore the monarch's passport. The then King Mihai was forced to abdicate in the political changes after World War II. He lives in exile in Switzerland. He has sought to return home since the Ceausescu regime was overturned in the December 1989 revolution.

Ex-King Mihai Responds

AU0801214891 Bucharest ROMPRES in English 2115 GMT 8 Jan 91

[Text] Bucharest, ROMPRES 8/1/1991—In a release of his press office, ex-King Mihai of Romania stated that "he noted with satisfaction the recent actions of the Romanian authorities in connection with his citizenship" and that he "most carefully" analyzes its other proposals. The release also highlights the satisfaction of ex-King Mihai "to be able to note that the impolite remarks of the government spokesman in Bucharest on the ex-king's visit to Romania on Christmas Day "did not reflect the Romanian Government's position."

Deputies Assembly Views Mihai's Visit, Land Law

AU0901104691 Bucharest ROMPRES in English 0901 GMT 9 Jan 91

[Text] Bucharest, ROMPRES 9/1/1991—The Assembly of Deputies resumed its winter-spring session Tuesday in the presence of 270 members.

Opening the meeting, Dan Martian, speaker of the lower house, gave the floor to Rene Radu Policrat, PNL, in answer to his request for a statement in the name of the National Liberal Party [PNL] and of himself.

As doyen of the lower house, Rene Radu Policrat, considering the necessary "correction of the false image of Romania widespread in the media around the world" and true to the spirit of his parliamentary activity, proposed that Parliament should extend an invitation to King Mihai I to visit the country at a time and in such conditions as should be agreed upon unequivocally. We should not forget, Mr. Policrat said, that he descends from the people who, together with our great leaders and all the citizens of the country, built modern-time Romania from all-time Romania.

I was very pleased to hear that also the government had been working in that direction, the speaker went on. I would like to say in context that our neighbours, Czechoslovakia and Hungary, for example, had the wisdom to integrate the descendant of the Habsburgs and Prince Schwarzenberg into their democratisation process, the speaker wound up his address.

Supporting the idea, Calin Popescu-Tariceanu, representative in the Assembly of the National Liberal Party's—young wing, said that the idea deserved consideration, that it should not be dismissed right away.

Speaker Dan Martian reminded that a working group of the Assembly was set up in December 1990 to investigate the matter and that a few preliminary conclusions had already been put before the assembly's plenum. Let this group, said the speaker, fulfill its mission and write its report after which we may resume our discussion of this subject. We cannot approach lightly so complex a problem with so many implications. After the working group submits its report, and after the Standing Bureau and the Standing Commissions of the Assembly have studied its conclusions in depth, we can resume our discussion and reach a solid and well-founded conclusion.

Agreeing to that view, the Assembly of Deputies took up the debate of the land bill whose articles are put to the vote one by one: 14 articles have already been passed in previous meetings.

It took far more time to discuss Article 15, Index 1, inexistent in the original draft and eventually included upon the proposal of the agriculture commission of the Assembly of Deputies. During hour-long discussions of the article by many assembly members, ten amendments were made to regulate just like the article itself land ownership by farm experts. Upon Dan Martian's proposal, the plenum of the Assembly decided that the initiators of the land bill, jointly with the Assembly's select commission, revise the article and re-write it before it is put again before the Assembly for discussion.

Articles 16, 17, and 18 were also the subject of heated discussion as well as of amendment. These articles, which provide for the allocation of the land inside settlements and of land for construction, were passed with certain amendments. Article 19 was dropped altogether since it only summed up the provisions of the previous three.

A novelty in our laws is brought by Article 20, the original text of which was amended. Essentially, it provides that land inside settlements on which no claim is laid by heirs should become the property of local councils, not of the state, as the civil code in force provides. Article 21 was also passed Tuesday with the amendments of the Assembly's commissions and with others made by assembly members. Many representatives of the whole political spectrum stated their views, and the large majority it was passed with was just another proof

of the spirit of cooperation that prevails in the debate of this bill eagerly expected by agricultural workers.

Iliescu Meets National Democratic Party Group

AU0801192191 Bucharest Domestic Service in Romanian 1800 GMT 8 Jan 91

[Text] Within the framework of the dialogue between the presidential institution and political formations in our country, President Ion Iliescu received a National Democratic Party delegation this afternoon led by Sergei Mesaros, president of that party.

The two sides summed up last year from a political, social, and economic viewpoint. They also discussed the 1991 priority objectives.

After the meeting, Mr. Sergei Mesaros said that in the coming period he intends to set up a coalition with other political formations whose programs are close to the objectives of the National Democratic Party.

FSN: Iordache's Status as Deputy Not Contested

AU0801175991 Bucharest ROMPRES in English 1622 GMT 8 Jan 91

[Text] Bucharest, ROMPRES 8/1/1991—A communique released by the Timis County branches of the National Salvation Front [FSN] sent to the national news agency ROMPRES in connection with the opportune character of the moral ballot the Timis deputy, Mr. Claudiu Iordache, initiated shows that the committee appointed to represent the parties and the political and apolitical organizations in Timis County as well as the National Salvation Front in the County of Timis informed on January 8 Mr. Claudiu Iordache and the Citizens' Collegium created to conduct that ballot that the ballot was groundless and not based on a situation liable to lead to national consultations. In this respect, the communique shows, the committee notes that neither on December 20, 1990 nor later on was Mr. Iordache's status as a deputy contested, which means that the respective ballot is groundless.

In the objective and democratic spirit that characterizes the political life in Timisoara and in Timis County we consider that Mr. Claudiu Iordache's status as a deputy is not and cannot be questioned, the communique shows in conclusion.

Iordache To Return to Parliament

AU0801184091 Bucharest ROMPRES in English 1630 GMT 8 Jan 91

[Text] Bucharest, ROMPRES 8/1/1991—Getting to know of the last hour position of the Timis National Salvation Front [FSN] and of all political and apolitical organizations included in the Antitotalitarian Democratic Front and the Civic Alliance, virtually all active parties and apolitical organizations of Timisoara and Timis County that expressed their standpoint on the moral poll, considering that my representativeness as a deputy was not and is not questioned, I decide:

Profoundly grateful to the citizens of Timisoara and Timis County for their confidence and support, considering that this support expressed these last few days obliges me to represent henceforth too the interests of the Timis electorate, I accept the decision of the Civic Collegium to end the moral poll.

I feel entitled and obliged to return to Romania's Parliament as of January 14, 1991.

PNT-cd's Coposu Favors Change of Government

AU0801175491 Bucharest ROMPRES in English 1558 GMT 8 Jan 91

["Political Life: Corneliu Coposu—'A Responsible Government Must Be Formed'"—ROMPRES headline]

[Text] Bucharest ROMPRES 8/1/1991—"We have a government that has proved its incapacity to solve the protracted crisis we are facing. A logical solution is to change it. We have a non-representative Parliament, a kind of an NSF [National Salvation Front—FSN] voting machine which endorses obviously communist laws upon order, which deliberately procrastinates a democratic opening so necessary for Romania's integration into the family of the civilized democratic countries, which prevents the working out of an authentic privatization a prerequisite for the market economy. A logical solution: To dissolve it. "This statement is made by Mr. Corneliu Coposu, chairman of the Christian and Democratic National Peasant Party [PNT-cd], who, in an interview with the party's mouthpiece "DREPTATEA" of January 8, is for the formation of a "responsible government..., a provisional government of independent technocrats of no political colour." The respective government, unanimously backed by the serious political parties, by antitotalitarian forums and unions, by independent alliances and leagues, by students' associations and the free trade unions would have the unique role to manage the country's current affairs and organize genuinely free elections, to dissolve the shock troops, the commandos specialized in violence, the groupings that perpetuate misinformation and intimidation of public opinion, and to guarantee citizens' freedom of expression. (...) a parliament born from unquestioned election could guarantee stability and credibility.

Mr. Corneliu Coposu also added that "the country has perfect workers, gifted technicians and engineers as well as multiple resources. It lacks the due material base and modern technology" but, "assisted by foreign economic organizations" it could make both ends meet in a short while. "I think the obstacles raised to attaining such a goal are equal to a betrayal of Romania's interests." Mr. Coposu also spoke up for the union of the "honest opposition."

Iliescu Sends Letter to PNL's Campeanu

AU0801144791 Bucharest ROMPRES in English 1228 GMT 8 Jan 91

[Text] Bucharest, ROMPRES, 8/1/1991—During the January 4, 1991 television broadcast "The Opposition" the National Liberal Party [PNL] showed a sound-and-image montage with a content that was denigrating Romania's president, considered in a statement made by the President's Press office as "going beyond not only the rules of a decent political life but also the commonsense limits".

On January 7 Mr. Ion Iliescu addressed an open letter to Mr. Radu Campeanu in his capacity as National Liberal Party chairman, in which, while explaining him why he chose that means—i.e. the press—he specifies that that was consequential upon the way in which the National Liberal Party leadership understands to promote political dispute by vehiculating insulting materials which go beyond any verge of decency.

Assessing as normal that, "within the new political system, parties and personalities must face one another and freely express their differing opinions, their own options and programmes, that it is but natural and necessary to criticize ideas, actions and behaviors which, according to the opposition's representatives, are wrong or can have political implications to which they disagree", President Ion Iliescu points out that "henceforth, from what a normal democratic political life is characterized by and to how one presents, as a political opinion, a mixture of gratuitous insults and disparagements there is a great distance and it is regrettable and disappointing that the National Liberal Party decided to cover it."

In the context, President Ion Iliescu considers that the January 4, 1991 television broadcast "The Opposition" is not a singular example as it followed another of the same quality as well as Mr. Cerveni's impolite attitude during his address, on behalf of the PNL, to the December 16, 1990 meeting in Timisoara.

For Mr. Iliescu "it is a great personal deception to see Mr. Campeanu accepting his name linked to such a decline of political debates down to libel and verbal abuse." "It is a big stride backward," he adds, "from civilization to political primitivism, from the rational and realism to the totalitarianism of gratuitous labelling."

"The National Liberal Party wishes to play a significant role in Romanian society," Mr. Ion Iliescu further shows. It is a party which claims to be an heir of old democratic traditions, to take inspiration for its methods and theory from what the world developed countries have better. It is grievous to see that instead of all this it assumes the responsibility to introduce attitudes from the outskirts into the very center of the Romanian political life. Such an outlook you offer to the nation, Mr. Iliescu writes, belongs to you (e.n. Mr. Campeanu) alike, in full responsibility. That is why you and the PNL leadership ought to clearly condemn such manifestations which dishonor you as a party."

Reminding Mr. Campeanu that he has repeatedly spoken up against such methods of political combat, that he has asserted the need for a decent confrontation of ideas, Mr. Iliescu underscores in his letter that "deeds have run counter" his words. Also reminding Mr. Campeanu his statement during the election campaign when he promised to respect the people's option even if he were not to be elected Romania's president, Mr. Ion Iliescu writes: "The way in which the party you are leading refers to the presidency and to Romania's president proves the opposite."

The post I am holding, Mr. Iliescu shows, is not a personal privilege but a responsibility that places me alongside any citizen of this country, with his problems and hopes. By virtue of this fact, I would like to see that we shall nevertheless succeed in doing away with such practices that caused so many a damage in the past and still pollute the political and moral climate of Romanian society. Let us show higher sense of responsibility for our people's interests and do so as the responsible politicians of this country should struggle above all for its benefit by promoting the real values of democracy, Mr. Ion Iliescu underlines while concluding his letter.

PSD Leader Cunescu Sums Up National Situation

AU0801175391 Bucharest ROMPRES in English 1609 GMT 8 Jan 91

[Text] Bucharest, ROMPRES 8/1/1991—I think the positive course of the Romanian economy in 1991 will primarily depend on the stability and democratization of our entire political life, Mr. Sergiu Cunescu, chairman of the Social Democratic Party [PSD], deputy in Romania's Parliament, recently said in an interview with a ROMPRES editor. The fact is well known that economic and social reforms cannot be effected as long as true democracy has not been established, the PSD chairman also said and added that the reinvigoration of the Romanian economy depended to a great extent on the application of new technologies and the introduction of capital which can only be achieved in conditions of secured stability. In this respect, Mr. Cunescu said, we lost a precious year owing to tragical events that discouraged foreign investors.

As for the land law, which is being discussed by Parliament, we consider that if it is going to reach a form to effectively do justice in the peasant world and to consolidate the idea of property then that would be highly important for the Romanian agricultural economy, the collocutor also said.

Referring to the future communal elections the chairman of the Romanian Social Democratic Party underscored the way in which those elections were prepared had been set forth under the declaration of principles of the national convention on the establishment of democracy. [sentence as received] We consider, he said, that it is

important that society should be based on administrative bodies honestly guaranteeing the entire local administration as well as the elections. That is why, we agreed in principle that the six parties signatories to the convention should appoint their candidates boasting a fine civil standing and great competence, Mr. Cunescu pointed out.

In this respect, there are chances that the Romanian society makes great progress from a moral and political point of view owing to the selection we are going to make and I am highly optimistic along in this respect.

Referring to the dialogue the National Liberal Party [PNL] initiated in connection with a possible government of national union, Mr. Sergiu Cunescu said that that proposal was exclusively the proposal of the PNL and it had been made before the six [number as received] parties (the Ecological Party, the Ecological Movement, the Christian and Democratic Peasant Party, the Social Democratic Party and the National Liberal Party) signed the national convention on the establishment of democracy. As for the attitude of the convention, the collocutor said, we are going to meet regularly to conduct consultations and I think that the achievement of the convention was a positive step, a consolidation of the fight of principle, the discussion and establishment of joint lines on highly important actions.

The signatory parties are free to make their own programmes and to pursue their own strategies. As you know, Mr. Cunescu said, President Iliescu invited us to have a talk on January 5 but we suggested the dialogue be conducted after January 20 so that in the meantime we may contact our steering committees. The talks shall center on problems to be posed by Mr. Iliescu on the one hand and by the members of the convention on the other hand but we will not discuss the possibility of forming a government of national union.

Referring to the current situation in the gulf area, the chairman of the Social Democratic Party said he was pessimistic about that issue as even if Iraq agreed to withdraw from Kuwait it would continue to be a powerful military force always staying a potential factor of destabilization of neighbouring states. Therefore, I consider the general wish is to defeat this potentially aggressive force, Mr. Cunescu said in conclusion.

Iliescu Chairs Supreme Defense Council Meeting

AU0801175191 Bucharest ROMPRES in English 1625 GMT 8 Jan 91

[Text] Bucharest, ROMPRES 8/1/1991—A meeting of the Supreme Council of the Country's Defence took place on January 7 in the afternoon, under the chairmanship of Romania's President Ion Iliescu, reads a communique from the Romanian presidency.

During the meeting, the communique shows, the report of the national defence minister on the current situation was examined, as well as the proposals for the improvement of the organizational structure and of equipping Romania's Army in the years ahead. The proposals and the debates reflected the defensive character of Romania's military doctrine, the preoccupations for the modernization of the country's defence system, in the context of the irreversible process of democratic transformations going on in Romania and of the current political-military conjuncture in Europe.

The improvement of the organizational structure and of the Army's equipment also fit in the stages of conventional arms reduction comprised in the treaty on conventional Armed Forces in Europe, signed in Paris, on December 19, 1990 and also has in view the negotiations to be continued in Vienna on the reduction also of the Armed Forces of the states participant in the respective treaties.

The Supreme Council of the Country's Defence also endorsed the orientations presented and measures for their application and materialization.

Joint Government-TU Commission Holds Meeting

AU0801144991 Bucharest ROMPRES in English 1138 GMT 8 Jan 91

[Text] Bucharest, ROMPRES, 8/01/1990—On Tuesday morning at the Victoria Palace the proceedings of the Joint Government-Trade Unions [TU] Commission were resumed.

The debates concern a number of amendments to the bill on the trade unions proposed by the Great Trade Union Confederations.

Timisoara Students' Strike Continues

AU0801144591 Bucharest ROMPRES in English 1403 GMT 8 Jan 91

[Text] Bucharest ROMPRES 8/1/1991—In Timisoara's four higher education institutions the strike that started before the winter holidays continues. On Tuesday morning striker pickets admitted students only to places specially appointed and not to lecture halls and laboratories. The University, the Institute of Medicine and Pharmacy and the "Traian Vuia" Polytechnic Institute are on general strike. At the Institute of Agriculture, according to its rector, some students are on strike while others are pursuing their studies. Numerous parents, students and teaching staff have come to newspapers' editor rooms to protest against the strike being continued in many cases without the students' consensus.

Mayor Announces Resumption of Housing Construction

AU0801175291 Bucharest ROMPRES in English 1620 GMT 8 Jan 91

[Text] Bucharest ROMPRES 8/1/1991—"This very month work will be resumed on all Bucharest's important construction sites with a view to complete construction works on 8,000 flats, Mr. Viorel Nicolae Oproiu, Bucharest's mayor general said in an interview with daily "ADEVARUL."

For the completion of the new flats Romania's Government has granted the municipality a medium-term credit of one billion lei refundable through sales of dwellings to the population.

Construction work is to be carried out by the house investment and administration autonomous company, a newly-created enterprise belonging to the Town Council. Apartments will be built and run by that company, which means that it will either sell or distribute them freely to economic units for employees who have no means to buy a flat.

The Town Council's building programme also includes the restoration of the National Library and other buildings, Bucharest's mayor general specified.

Controversial Discussions in Senate Reported

AU0801215191 Bucharest ROMPRES in English 2046 GMT 8 Jan 91

[Text] Bucharest, ROMPRES 8/1/1991—The January 8 afternoon of the Senate started, on the request of several senators, with questions. The leader of the FSN [National Salvation Front] majority group, Mr. Vasile Vacaru addressed Mr. Radu Campeanu, PNL [National Liberal Party] chairman, saying: "Allow me please to take advantage of the presence of Mr. Radu Campeanu here and convey to him the profound disappointment he has caused to me as so many other times. And this in a very short interval of time. I must confess," Vacaru said, "I had seen him as a teacher in democracy. He was the leader of a party claiming to be the heir of old democratic traditions moreover, the party led by him claims to take over what is best in the world countries. He had come with the aura of a perfect connoisseur from France, etc, etc. In time, I have witnessed an almost exponential smashing of those tokens. And everything climaxed in the embarrassing improvisation presented as stand of the opposition in the space so liberally given to the opposition parties. An opposition standing face to face with the government, with the FSN.

An opposition that ought to amend their acts, and it happened on TV, in the evening of January 4, 1991, before the nation, before the people, on their money and their time. Where were the constructive ideas, Mr. Senator Campeanu? What was it that highlighted your party's wish to mend what was to be mended?" asked Vasile Vacaru in the end.

Replying, Mr. Radu Campeanu said inter alia:

"I am amazed to see that a humoristic program made by liberal students has generated so much fuss, and is given such an importance of political event where it is not the case. The authors, young liberals, did not intend to offend anyone. They wanted to express an idea. It is the fear to see a new communist-type regime installed, a fear that exists with larger categories." Mentioning that he had discussed with those who made the program, Radu Campeanu stated that "the censorship of the idea or their blaming is not a practice with the Liberal Party."

Among the questions posed to the government, arresting the attention were those regarding the conditions of doubling of the prices, the settlement of the war veterans' problems, as well as the situation related to the citizens' entry into and exit from the country by the frontier stations, the illicit traffic of Romanian goods abroad.

Discussions on the land stock bill were then resumed.

* Defense Ministry's Attacks Refuted

91BA0173A Bucharest ROMANIA LIBERA in Romanian 12 Dec 90 pp 1, 8

[Anton Uncu article: "You're Threatening Us, Minister!"]

[Text] In our 1 December 1990 issue we informed our readers that Brigadier General Paul Cheler, commander of the army of Transylvania, had on 29 November 1990 issued a communique to the population in which he stated:

"The army will ensure a climate of safety and order, peace and tranquility, in which to celebrate with joy and love of country and nation. At the same time, it will take a firm stand against and may even open fire on anyone who will disturb and try to compromise our sacred 1 December. Let us prove to the nation, to Europe, and to the entire world that we are a free, dignified and sovereign nation and a truly democratic country."

We have quoted exactly the communique of the army of "Transylvania" as it appeared in the 29 December issue of UNIREA of Alba Iulia, accompanied by the following editorial note: "Indeed, Gen. Cheler? Open fire? You want to shoot people in order to prove to the world that we are a free, dignified, and sovereign nation? You may ensure peace, order, and safety, but don't threaten to shoot! Alone for that statement you deserve to be fired. It is not up to you to declare war.... And as long as we are not at war with anyone, no one has the right to order "Fire!"

As is known, the 1 December celebration was indeed disturbed by NSF [National Salvation Front] sympathizers evidently encouraged from the top. Since neither the government nor the higher leadership of the National Defense Ministry hastened to respond, in our 5 December issue we resumed the discussion in the article

"An Act of Rebellion in the Romanian Army?" in which, after citing the above communique, we stated:

"We find it impossible to believe that the communique of the Transylvania army could have been expressedly ordered by the defense minister. And if the minister did not issue any such order, according to military regulations in any country in the world, democratic or otherwise, the measures envisaged by Gen. Cheler are known as insubordination. Worse, as long as we are not at war with anyone, the threat of shooting is obviously directed against Romanian citizens. This being the situation and in view of the Defense Ministry's declarations that the army would not fire on the people, is it possible that the measures envisaged by Gen. Cheler and the command of the Transylvania army are an act of rebellion that should be immediately brought before a military court?" And this is how the article ended: "If by some remote chance the communique of the army of Transylvania was the consequence of some order from the military command, then naturally the entire responsibility falls on the defense minister, Brigadier General Victor Stanculescu, in which case he must report on the measures taken without delay."

No answer was given this time either, although the Cheler case was presented in the clearest possible terms. We must also add that a communique almost identical to Gen. Cheler's was published by the commander of the Alba Iulia garrison, and that may mean that the threat of shooting was not entirely accidental.

But here, finally, is the answer: "Recently ROMANIA LIBERA has been increasingly focusing on the life and activities of the Army, reserving large space for material written by professionally unauthorized persons or people with obviously biased political attitudes who, through their articles, are placing the military apparatus in an unfavorable light. Although there have been repeated talks with the newspaper's managing board, also at meetings between the editorial staff and the national defense minister on correctly presenting military issues, we note:

—Stepped-up efforts to weaken the internal unity of the army by cultivating mistrust and suspicion between the rank and file and responsible cadres at the ministry;

—A tendency to disrupt the good relations established between the Army and other fundamental state institutions, including the Interior Ministry and the Romanian Intelligence Service [RIS];

—Ill-will has been artificially fanned between the Army and the political branch, the parliament, the government, and the presidency;

—Attempts to undermine the centuries-long ties between the Army and the people;

—Incitement to insubordination, to challenging hierarchical authority, and to indiscipline among the ranks.

"The National Defense Ministry strongly rejects any attempt at damaging and destabilizing interference in its activities and once again strongly recommends to the management of ROMANIA LIBERA to refrain from its repeated irresponsible attacks against the military institution. In keeping with the law and its responsibility to watch over the existence of the Romanian state, the National Defense Ministry is dutybound to take the measures it sees fit to swiftly eliminate this situation for the sake of the national interests and in line with the Army's mission to defend the homeland and legal order in the state.

"The Romanian Army, the continuator of our people's traditions of struggle for independence and freedom, will not allow anyone to soil its honor. The democracy that the Romanian people are determined to secure after the revolution of December 1989 must not be exploited as a pretext for irresponsible destabilization of the Army and the state."

This was the full communique issued to the press, which was aired by ROMPRES in its domestic newscast on 10 December 1990, page 25, item No. 36.

As you see, Gen. Victor Stanculescu, we did as required!

So you think that our attitude on the Cheler case incorrectly reflects military issues, is apt to weaken unity, to cultivate mistrust and suspicion, and constitutes an attempt to disrupt the good relations between the Army and the other fundamental institutions of the state, including RIS and the Interior Ministry, etc., etc. I won't list them all, you can read them in the communique.

As far as we are concerned, the Defense Ministry did not distance itself from the communique signed by Gen. Cheler. That means that Gen. Cheler acted in full agreement with the minister, if not at his explicit order. Like the commander of the Alba Iulia garrison, in fact. Consequently, in the name of national interests, of the Army's mission to defend the homeland and the legal order in the state, in keeping with the law, the minister is prepared to....swiftly eliminate this situation. In the name of what national interests did Gen. Cheler proffer his threats? What state order was threatened in Alba Iulia and by whom? In keeping with what law was fire to be opened? The ministry's communique does resemble Gen. Paul Cheler's in some ways. True, it does not mention any threats of shooting, although we are beginning to understand what the ministry leadership means by the "swift elimination of this situation." You are threatening us, Mr. Minister! And you're doing so in the name of defending the homeland and national interests! You are threatening us, Mr. Minister!! And you're doing so in the name of good and stable relations with the other fundamental institutions of the state, including RIS and the Interior Ministry!

We have not forgotten that on 14 June it was not the miners who put three managers of this newspaper under watch—I had the pleasure of being one of them—but the

fundamental state institutions you name after the word "including," the Interior Ministry and/or RIS. We have not forgotten that after the "amicable" visit of the miners led by former officers of the Interior Ministry, you refused us the military protection we requested. Another important state institution, the Romanian Television, refused to broadcast the protest of the newspaper's managerial board concerning the illegal action of the miners, and the fundamental state institutions we mentioned took no measure against those guilty, although they knew very well who they were, in keeping with the laws that you are good enough to invoke now. We may pretend not to understand why the rulers are now hastening to issue a press bill and we may forget how closely this initiative is linked to the confessed disatisfaction of the government, parliament, RIS, the Interior Ministry, the television leadership, and now the Defense Ministry, too, with the written press—a "certain written press"—and especially about ROMANIA LIBERA. But we cannot pretend not to understand or to forget the threat to "swiftly eliminate this situation." You are threatening us, Minister! In different words, but in the same way that Gen. Cheler threatened the nation's delegates coming to Alba Iulia. Which wasn't good and wasn't just.

We've been shot at before, and you know full well when and at whose order!! You might have even known it better and not have forgotten it so soon, it hasn't yet been one year since then, if you hadn't happened to have a leg in a plaster cast. No, Minister, we will not put our hands in plaster casts in order to escape our responsibility to write what we think.

It might be more prudent to do so, but it wouldn't be good!

And it wouldn't be just!

* ADF Statement on State of the Nation

91BA0173B Bucharest ROMANIA LIBERA 12 Dec 90 p 2

[Statement by the Antitotalitarian Democratic Forum [ADF] on the "Health Condition of the Nation"]

[Text] The Antitotalitarian Democratic Forum [ADF] of Romania notes with anxiety that after almost one year since the Revolution the country is on the verge of the deepest and most widespread crisis since World War II.

In circumstances that are still unclear, a group of functionaries of the Communist regime formed the NSF [National Salvation Front] and other satellite organizations and parties, seized the power, and with it the immense fortune of the RCP, the UTC [Union of Communist Youth], and the UGSR [General Union of Romanian Trade Unions]. The vast resources of former party managements, the radio, television, the former Communist press, Ceausescu's secret bank accounts, and funds collected as donations in the Libertatea account also fell in the same hands.

In order to consolidate its positions in the situation created, the present NSF leadership kept the old Communist cadres in the Army, the police, the Romanian Intelligence Service [RIS], courts, prosecutor's office, and institutes of culture and art. When to all this we add the abuses committed during the electoral campaign, the violence, slander, and systematic disinformation of public opinion, we get the true image of those who assumed the role of spokesmen for the heroes who gave their lives for freedom and democracy in December 1989.

Through the same mechanisms and mentalities, the Romanian society is being grievously affected by the terror and aggression of Communist ideology and is prevented from turning toward the values of Christian ethics and spirituality. Thus, wide strata of our people continue to experience envy, hatred, suspicion, division, and ethnic, political, religious, and class hostility. The seriousness of the abuses committed by the present government, which irreversibly compromise the principles of a state of law stems from the following:

—Parliament gave the government the right to pass laws (special powers).

—Parliament legislated the means of using the Army to maintain and preserve "legal order" in the state, thus creating the risk that the Army may be used against its own people.

—Parliament invested the president with the prerogatives of the former dictator by placing the Army and the RIS under his authority.

The country has been brought to the brink of economic and financial disaster because of an incompetent administrative policy marked by the political interests of those still in power. The measures taken by the government both in agriculture and in industry and trade, far from being a step forward along the path of privatization and a market economy, are calculated to compromise even the idea of a Western-type economy.

Hiding the truth about the events of December 1989 and the incidents that began on 29 January and continued on 18 February, 19-20 March, culminating in those of 13-15 June, to which the insulting events of 1 December 1990 in Alba Iulia were added, seriously compromised the leadership of the country and the NSF, the current government party. At the same time, Romania's prestige in the world suffered, too. The door to Europe was closed in our faces. Investments of capital and technology—the only factors that can save the national economy—were stopped. All this, the violation of all the points of the 22 December 1989 Proclamation, the incidents staged or encouraged, and the disastruous ethical, economic, social, and cultural condition to which the country has been brought serve to reveal the falseness and incompetence of the present rulers and their wish to stay in power at any cost. Consequently, they lost their credibility and legitimacy in the eyes of the nation.

In order to preempt the danger of destabilization, which can have unforeseeable consequences for the country's fate, we request President Ion Iliescu to dissolve Parliament, dismiss the government, and present his resignation, to be replaced in power by a National Steering Council.

Such a council will be made up of representatives of the antitotalitarian democratic forces and act in the spirit of tolerance, nonviolence, and national reconciliation. The National Steering Council will be provisional and will create the necessary democratic framework for the organization of new elections.

In order to attain these objectives and persuade the present leadership to accept this solution—the only solution capable of halting and averting the complete undoing of the country—we call upon the Civic Alliance, the trade unions, political parties, and all the democratic social bodies to join us. We have the following proposals for attaining these objectives:

—All honorable Parliament members who believe in democracy and feel responsible for the country's future are requested to demand the resignation of the president and the government and then to step down from Parliament.

—Beginning on 16 December 1990, organize meetings and warning strikes throughout the country culminating in general strikes.

* Roman News Conference on Strikes, Prices

91BA0173C Bucharest AZI in Romanian
13 Dec 90 pp 1, 5

[Prime Minister Petre Roman's press conference as reported by Eugen Negrea]

[Text] At a press conference held yesterday at the Victoria Palace, Prime Minister Petre Roman kindly and patiently answered questions by Romanian and foreign journalists accredited to Bucharest. The discussion was not dominated by any given theme and the prime minister's answers covered a whole range of issues, which together presented a well argumented picture of the realities prevailing in our country.

We will reproduce here a few of Mr. Petre Roman's answers, selected exclusively according to the logic of the questions.

[Question] Prime Minister, we would like to hear your opinion on the reactions to and the first effects of Romania's great opening in foreign policy.

[Roman] This is a good question for me, but I realize that the gentlemen present here have more delicate questions to ask which I don't wish to avoid, so I will give you a very short answer. The opening is very important thanks to the contacts I made in the three countries and then in Germany. As for Colombia, Uruguay, and Argentina, the projects involved are complex and are calculated to involve Romanian industrial sectors in some of these countries' projects for the exploitation of natural resources. As for Germany, the situation is clear to many people. They constitute a genuine and extensive opening both for diplomatic Romanian-German areas and for German commercial and industrial interests in Romania, which we appreciate and for the sake of which we reported on what we are currently involved in and what we can offer the West in general and Germany in particular.

[Question] What do you think of the government's conclusions after the talks with the trade unions?

[Roman] Yesterday we had a six-hour round of talks with representatives of seven trade union confederations, which does not mean that we didn't run into some rough spots, some harsh words, and criticism of the government; we also presented some difficult aspects that cannot be ignored. Still, a joint formula was possible at the end of several stages of negotiations that constitute both a basis for relaxing tensions stemming from absence of dialogue and perhaps of flexibility on the part of the government, as well as a basis of support for what we all refer to as social peace. So that was the result of the talks, and the phenomenon of general strike did not emerge either at the conclusion or during the talks.

[Question] The trade unions yesterday stated that you agreed to replace several ministers in your cabinet; four were mentioned. Is it true?

[Roman] The trade unions expressed lack of confidence in certain governmental factors, something that I was well aware of. As is known, I, too, declared war on such remnants; in particular I expressed mistrust in connection with the activities of certain ministries and ministers. What I told the trade unions on this occasion was that we accept the criticism, we intend to find out the reasons for the criticism, and we have no reasons or political or other motives not to replace the governmental factors that indeed stood in the way of dialogue with the trade unions. I cannot cite names at the moment; I know that this is the delight of the press and I faithfully promise that as soon as we are ready for such a reshuffling or for serious changes or replacements in the government apparatus we will announce the decisions as soon as possible.

[Question] Can you give us more details about the negotiations with the trade unions?

[Roman] There were three important things. The first was the renegotiation of certain points in the laws that we include in the so-called social package. There are six such laws at various stages of implementation: Some are about to be promulgated, others are being discussed in parliament commissions, while others have not yet been submitted to Parliament. Some of the articles of each one of them will be discussed again because the trade unions believe that they have something to add to the present formulation. We are negotiating these things in order to come to a jointly agreed upon formula. The

government assumes the responsibility for intervening with modifications at various stages on the basis of such agreements.

The second category of issues was the following: Each trade union confederation represents specific interests, the interests of a given industrial, agricultural, commercial, or some other sector, and each one of these sectors raised some very acute problems. The situation is very serious because the sectors in questions are simply in danger of having to stop all activities because of lack of resources or because of very poor economic productivity. We must be able to explain this to each sector separately, so there will be rounds of talks with each sector in order to explain the government's viewpoint and the need for inevitable structural adjustments, and to negotiate social effects, in which respect we will continue to be responsible for social protection as much as our resources allow it. Needless to say, the trade unions must be involved in this process.

And finally, the third category of issues was the one I mentioned earlier, namely an examination of our own governmental factors that on the one hand do not respond to our own commands, and in particular are not responsive to our inclination toward talks with the trade unions.

A possible fourth question concerns the products we purchased for the winter holidays; there is a fear that these items may take the back road toward what we unfortunately have to call the black market. We are now preparing a program so that whatever we bring in—which is not negligible!—can reach the table of each citizen.

[Question] How do you explain the government's decision to postpone the price liberalization? Wasn't that a step back for the government?

[Roman] Precisely. But I don't think that a connection should be made between things. First of all, our decision about the second stage of price liberalization that affected 20 items—primarily basic food staples—had been planned for earlier, and I want to give you an explanation because I initiated it as soon as I corroborated all the data concerning the second stage of the liberalization. This doesn't mean that the president didn't agree; he was fully in agreement, but there was some speculation on this point.

So, first of all, we failed to achieve the first stage of price liberalization. This is the major fact. Two months were not enough to achieve it. Why? Because, in accordance with the law, very many prices were left to be negotiated, and those negotiations were very complex, much more complex than we had imagined, because this was the first dialogue of negotiations between the interests of enterprises and autonomous bodies and the government since we rid ourselves of the structures of the former centralized economy. So the first stage of price liberalization was not concluded and cannot be concluded until 1 January, so much is certain.

Secondly, after 1 January we were expected to come up with new purchase prices for agricultural produce. This means new advantages for those who have such agricultural produce. But, if we are to consider only basic staples, 50 percent of the wheat crops is in the hands of individual farmers, as is 70 percent of the corn crop and about the same quantity of potatoes. In view of the noteworthy increase in the number of livestock, in that area, too, we were expected to give considerably higher purchase prices. You will say, so what's wrong with that? Apparently nothing wrong, except that for the time being this important credit is uneconomical—such as the $500 million for the 1990 agricultural production, this "injection" we provided and which we view as perfectly justifiable; well, these credits have not been yet recovered, and they haven't been recovered for the simple reason that the agricultural cooperatives that received them have in the meantime disintegrated by a natural process. New groups have not been formed, but we cannot afford to look on these credits as lost, and in any case, in our present situation this would be impossible. New, higher purchase prices against the background of loans that are not being repaid could not be economically functional or correct.

So why don't we increase purchase prices and thus recover the credits? That isn't possible because we don't know from whom to demand back what we gave: As I said, the agricultural cooperatives have disintegrated and the land bill is now being debated in Parliament and is scheduled to be passed. As soon as that happens, on the respective land and knowing who has ownership rights, then we can discuss what the state is entitled to recover. There is also another aspect, seemingly a minor one, but very sensitive for us: In the first stage of the liberalization, subsidies—the 750 lei and the 400 lei for pensioners—made up a 10 billion lei contribution. In the second stage of the liberalization we would have had to pay out 20 billion lei. Well, in one sentence, we don't have the money and we have no intention of printing money without cover. This is the technical and economic reality.

[Question] What has the government achieved in the year since the revolution, and more particularly, where has it failed? How would you describe the present social situation in the country? What are our relations with the former socialist countries?

[Roman] Of course, it is not quite right to talk only about what the government has done and not to talk about what has been happening in Romania in general. But let's assume that the government is always responsible for what happens in reality, which is only right. There have been two distinct stages: the stage of the provisional government, whose task was to alleviate people's lives, which we undertook to do; that was an immediate objective, to create the most autonomous possible environment for the enterprises and to lay the foundations for an agriculture capable of meeting the producers' interests. As far as living improvements, I think that we did what was necessary and what any other government

would have had to do. We did what was necessary and correct concerning agriculture; as for the autonomy of enterprises, we did what was necessary, but the results have not been what we expected. They haven't been what we expected because after all, each citizen, each worker felt that he couldn't and didn't want to continue working in the same environment as the one we inherited from the old regime.

The legitimate government that came after the elections assumed the responsibility for the reform and one of the first steps of the reform was to create conditions to allow the enterprises to become autonomous, and that of course included price liberalization. I can tell you that many enterprises grasped their legal situation and are getting somewhere, because in fact they don't need the government to do well. But there are industrial sectors and enterprises that need it, that are still inexperienced in negotiations or management, and that need the government to pave their way to the outside. We have been struggling to facilitate for them this opening to the outside world, it exists, and it can lead to improvements and to making many industrial sectors and many enterprises profitable. We will take responsibility for that, too.

What have we failed to achieve? I think we didn't come out with a land bill early enough, something that was very important; I think we failed to achieve and implement in a timely fashion truly flexible managerial structures between the government apparatus and enterprises. This should obviously have been achieved much sooner, and we should have been able to involve a lot more new people in this process. I think we failed—and this is something that gives us great difficulties—we haven't managed yet to create a structure, a corps of managers. At this time, when the managerial structures of enterprises are being restored, this absence of managers is decisive, I would say. Of course, there may be other things, too. We did not secure in time the financial instruments that would have allowed us to preempt what is known as tax evasion, in other words what leads to black marketeering and corruption; not from an administrative viewpoint, but from the viewpoint of a fiscal tool or tax monitoring, as is done in any other democratic country. But on the other hand, you may say: Since the package of laws was so large, there of course had to be priorities, but the priorities we established were correct. Others cropped up along the way, brought about by social necessities. This kind of process can never be really perfect. It can be at most correct, well steered, and controlled.

You said the feeling is that the social situation is explosive. What is important is, of course, that we determine the origin of this feeling, whether it has objective causes, or whether it has been whipped up by the mass media. In my opinion, its origin lies more with the mass media than the population. There is dissatisfaction among the people, there is legitimate dissatisfaction, the situation is difficult, but we never said that we had an easy situation ahead of us. We never said that the transition won't be preceded by a time of difficulties. What we said the government must do and perhaps it hasn't managed to do everything along this line but is certainly fully involved in, is to create an environment and an economic and financial structure in which each worker can feel that he is working for his own benefit. From this viewpoint I don't think that the social situation is explosive.

Relations with neighboring countries: As you know, in the first months of the year there was a perception that each was playing on his own field, that each former member country of the East European bloc was more or less playing in its own field; later, however, we realized that the essence of a market economy is the market itself. And we did have a market. Speaking for myself, at the CEMA meeting in Sofia on 9 January I said that we shouldn't abandon what was complementary. As a structure CEMA is of course obsolete—as I said at the time, so there's no point in repeating it. The market, however, is the essence of a market economy. Abandoning this market was a mistake.

Do we now have the capability to penetrate into other markets right away?

Do we now have the capability to attract many foreign partners and large investment in all the sectors? No. On the other hand, we do have complementary markets. So I think that we should exploit those markets.

* Prime Minister's News Conference Reviewed

91BA0173D Bucharest ADEVARUL in Romanian 13 Dec 90 pp 1, 5

[Article by Nicolae Militaru and Mugurel Radulescu: "Strikes and Economic Policy—the Topics of Mr. Petre Roman's Press Conference"]

[Text] A press conference was organized by the government yesterday, at which Prime Minister Petre Roman was "brought" before journalists. The interest of Romanian and foreign journalists focused on the conclusions of the recent dialogue between the government and trade unions. Prime Minister Roman described the discussions with the seven trade union centrals as a source of support for what we all call social peace. The first topic, he said, was to establish the renegotiation of certain articles of the laws that make up the "social package." On the other hand, since aside from general problems each trade union brought up specific, branch interests, rounds of discussions will be organized with each trade union central separately for the purpose of presenting the government's viewpoint, explaining the need for structural adjustments, and negotiating social effects, whereby the government will continue to assume the responsibility for social protection as much as resources allow it. On the same occasion the sides examined the main factors that are not responsive to the government's commands. In connection with those factors and their lack of flexibility toward the problems of the trade unions and in fact of the entire population, the prime minister said that although this was not the time to name

names, there did not exist any political or other reasons not to proceed to cabinet reshuffling even in the very near future. And finally, the prime minister took the opportunity to give assurances that measures have been taken in cooperation with the trade unions to distribute the items specially procured for the winter holidays, thus ensuring that the items in question will not be diverted to the black market.

The prime minister then said that the first stage of the price liberalization was not concluded and will not be concluded by 1 January. The two months that have passed turned out to have been insufficient, because difficulties cropped up that no one had foreseen. Consequently, many prices remained to be negotiated. In 1990 the government had granted large credits, totaling over $500 million to agricultural enterprises, especially to cooperatives. In the meantime, however, some of the cooperatives dissolved, and only after the future land bill is passed will it be possible to determine who is responsible for repaying the loans given. Until then, however, agricultural purchase prices cannot be raised, because that would require additional subsidies. While the first stage of price liberalization required 10 billion lei in subsidies, the second stage would require double that amount. The state does not have that money, and the government has no intention of printing money without a backing for it. These were the reasons that the second stage of price liberalization for 29 basic staples was postponed until 1 June.

Speaking on another topic, Mr. Petre Roman stressed that markets are the essence of a market economy. At the beginning of this year each East European country felt that it was playing exclusively on its own field, after which the conclusion was reached that we made a mistake in abandoning the markets we had. CEMA is obsolete as a structure, but its complementary elements must not be abandoned. Do we now have the capability to establish ourselves in other markets? Are we capable of attracting foreign capital with a strong presence in all the sectors? Obviously not. On the other hand, we can fully exploit the mrkets we do have. It is not uninteresting to point out that, thanks to the credibility of the government's reform, Romania will receive immediate aid in the form of medicine and food totaling 100 million ECU's [European Currency Units] (approximately $120 million), and energy aid totaling 120 million ECU's. According to expert forecasts, this winter will be very harsh, so this kind of aid may be a genuine oxygen tank for the population.

Other questions concerned the measures taken to soon eliminate bureaucracy in the society. The prime minister pointed out that eliminating bureaucracy is a process that relies on an impulse. If the impulse toward breaking the old structures is not consistent and coherent, the bureaucracy keeps coming back. Many of the actions initiated by the government run into these very rigid structures. In fact there exists a complicity—the kind that bears a much sharper name in Sicilian terms—and it is no secret to anyone that the battle is very tough. Nevertheless, the government will strive to fulfill its mission, giving priority to the reform, implementing the laws, and wielding them and the new bills that will be adopted as real tools to ease the present pressures on the budget and to destroy the filthy and corrupt web of profiteering and of the entire black market.

Some of the questions contained insinuations about some so-called governmental immunity and the conditions in which, according to some, the government, the president, and Parliament should resign in the wake of the exacerbation of social tension in recent weeks. Mr. Petre Roman said that there was absolutely no question of any governmental immunity. The tension was emotional more than anything else and was to a great extent fanned by certain newspapers. The government can be replaced, but only in keeping with the rules in force in all the democratic countries. In other words, by a vote of no-confidence in Parliament. On the other hand, Parliament and the president are elected for a given term. The prime minister also stressed that in his opinion the government has been honestly doing its duty and did not commit errors of the kind that placed it in difficulties such as require a vote of no-confidence. There is dissatisfaction, we are all aware of that, and even as we announced the program of reforms we said that the path won't be easy. But whatever happens we will not turn back.

Drivers' Strike Ends

At the end of negotiations between the government and the leadership of the drivers' trade union, Mr. Ciprian Bulei, deputy chairman of the Bucharest branch, told a ROMPRES editor: About what was negotiated today with the government by a delegation led by the trade union chairman Miron Mitrea, we declared ourselves satisfied in a first stage with what was declared as approved in the communique published. Remains to be seen how the rights obtained will be implemented. We have provisionally ended the strike so that the people shouldn't have to suffer for lack of food or fuel on the market. For the time being we continue to wait for the results of negotiations with the government concerning the other issues we still need to have resolved and for the implementation of the ones already secured and promised under the signature of Prime Minister Petre Roman and Minister of State Aurel Stoica.

As of 12 December 2,400 drivers will resume normal work. The roads will be cleared and vehicles will be returned to depots. (ROMPRES)

60,000 Workers To Be Laid Off, Retired

AU0801173091 Paris AFP in English 1529 GMT 8 Jan 91

[Text] Bucharest, Jan 8 (AFP)—The Romanian Government on Tuesday announced that it would soon make 60,000 workers in the mining and engineering industries redundant as a consequence of a decision to close most unprofitable companies during the next few months.

Governmental spokesman Bodgan Baltazar said that the restructuring would first affect those companies which were wasting energy and raw materials.

Workers who were made redundant would receive half of their pay until introduction of a new law on unemployment which was scheduled to come into effect at the end of January. The closure of unprofitable companies should result in the re-orientation of 200,000 people, particularly towards agriculture, he said.

Foreign Trade's Poor Performance Noted

AU0901104891 Bucharest ROMPRES in English 0909 GMT 9 Jan 91

[Text] Bucharest, ROMPRES 9/1/1991—The regular monthly meeting of private economic agents with representatives of the leadership of the Ministry of Trade and Tourism, the Ministry of Finance, the Ministry of Agriculture and Food, the Romanian Bank for Foreign Trade and the National Agency for Privatisation was held in Bucharest Tuesday.

During the meeting, Constantin Fota, minister of trade and tourism, outlined the unsatisfactory performance of Romania's foreign trade in 1990 showing that exports for convertible currency and on a clearing basis did not exceed 55 percent of the 1989 levels, whereas imports were far higher, especially of power sources, agricultural materials and consumer goods. Stress was also laid on the effort and the measures for a satisfactory pace of foreign trade this year. Speaking at length about the activity of economic agents in Romania and their export promotion, the minister underscored the role of the over 7,800 private firms in this field. He spoke about this year's better foreign trade provisions and new export and import regulations, and about the promotion of foreign trade and tourism.

Many participants asked questions and criticised the red tape that private trade must still cope with.

Nation's Current Monetary Situation Reviewed

AU0801145191 Bucharest ROMPRES in English 1134 GMT 8 Jan 91

["Economy—Romania: Face to Face With Herself"—ROMPRES headline]

[Text] Bucharest, ROMPRES, 8/01/1991—The Monetary Mass and Inflation

Before the revolution, the money supply (expressing the potential demand) and the mass of goods and services (expressing the economy's response to social requirements) were in utter disproportion. Only 20 per cent of the money supply was matched by commodities and services.

At present, due to falling production and to significant additional injections of currency as part of the populist measures before elections, during the transition period, the imbalance between the money supply on the one hand, and the available commodities and services on the other hand bringing along a ten-time devaluation of the leu. A 150 to 400 per cent rise in the prices of some goods and rates of services under price liberalization effective since 1 November is meant to narrow the gap. Under the present circumstances, however, price liberalization can only lead to a drop in demand not to increase the supply which is its main purpose. As for a general inflation index, accurate assessments are difficult before prices are reset through liberalization.

Trade and Services

Trade and services used to be an almost state monopoly and were notorious for bribe-taking, rudeness, traffic of influence in the best style of an extortion syndicate.

Today, a nascent private sector is beginning to get grip on trade and services more than in any other branches. The government's programme counts very much on boosting the private sector by such secondary means as leasing, renting, contracting.

The Banking System

The banking system was state-owned only. There was practically no credit policy. Interest rates, based on directives, not on economic criteria, were low, in the absence of competition. A few joint banks and branches of foreign banks operated solely for foreign trade transactions.

At the moment, the banking system is the one that moved the reform ahead. The National Bank has become the central bank, a "bank of banks", functioning as supervisor of commercial banks, of credit operations, capital flow, money supply, balance of payments and the leu's rate of exchange.

For the population, the new regulations mean the possibility to choose among several Romanian or foreign banks to put one's money into (depending on their interest and credibility), to open accounts in lei or foreign currencies with any of these banks, to apply for loans under their specific terms. Interests and other rates can be decided on a competitive basis, according to the demand-and-supply rule.

The National Currency

Previously, a strictly internal currency, the leu could buy only goods and services (of the few available), but no property (be it real, state, agricultural or industrial land). Externally, the leu was non-convertible, it could not be rated on the world market. Consequently, its export was forbidden. The legally owned foreign currency had to be deposited only with the Romanian Bank for Foreign Trade, the only one authorized to this effect and which offered no interests (a world record) but extracted outrageously high rates for every operation.

The new regulations are beginning to change the internal position of the leu. For lei one can already buy certain

real, agricultural and industrial estates. The leu however remains non-convertible and its export is illegal. Multiple rates of exchange have been given up. With effect from 1 November 1990, the leu can be converted at the sole rate of 35 per dollar, valid for all official banking operations. Non-convertibility automatically generates a black market: 170/180 lei per dollar. This depreciation comparative to the previous rates is mainly due to price rises after 1 November brought about by liberalization and to the official devaluation of the leu. It is worth noticing however that the depreciation of the leu on the black market is moderate compared with the inflated prices of the goods and services subject to liberalization. The ban on foreign currency ownership by Romanian citizens has been lifted. All Romanian and foreign banks are authorized to accept convertible currency deposits (in exchange for interest) and perform banking operations in convertible currencies (on commission). Economic agents are entitled, w.e.f. [with effect from] 1 January, 1991, to 50 per cent of their earnings in convertibles from exports, services or other operations abroad, for their own imports and other expenditures. The authorities are also examining the possibility of authorizing economic agents to act as vendors or buyers of convertible currency stocks.

Private Sector Potential To Ensure Jobs Noted

AU0801210791 Bucharest ROMPRES in English 1922 GMT 8 Jan 91

[Text] Bucharest, ROMPRES 8/1/1991—The National Agency of Privatization, set up under Law 31/December 17, 1990 and known also as the Law of Commercial Companies, shows that 112,000 applications for licenses to carry on free enterprise activities have been filed all over the country so far, 95,000 of which have been granted and the other ones in the process of settlement.

The agency mentions that assuming that only half of them are small enterprises with at least 20 workers, it results that the potential of the private sector to ensure new jobs stands today at almost one million.

The role as safety valve of the small enterprises that take in the available manpower, the agency assesses, is the more important for the future, as it known that by their transformation (in the next six months) into commercial companies, the number of employees will no longer be confined to 20.

Trial of Former PCR Officials Resumed

AU0801215091 Bucharest ROMPRES in English 2052 GMT 8 Jan 91

[Text] Bucharest, ROMPRES, 8/1/1991—Tuesday, January 8, at Bucharest Military Court the trial was resumed of former members of the Romanian Communist Party's [PCR] Executive Political Committee. Ion Dinca and Emil Bobu, themselves members of the Executive Political Committee, already serving a life sentence, were heard as accusation witnesses.

The two said that both them and the other members of the Political Committee had no clear information on what was going on in Timisoara, that Nicolae Ceausescu told them the demonstrations taking place there were 'hooligans' deeds.' Great damage, arsons, thefts were mentioned. The two witnesses said the shooting of demonstrators in Timisoara was ordered on December 16, while in the December 17 meeting of the Executive Political Committee, was assembled for dismissing generals Vasile Milea and Iulian Vlad and the minister of interior Tudor Postelnicu, because they did not put the order into effect.

Ion Dinca added that some members were late and couldn't hear what Ceausescu said in this connection. He also said that at the Political Committee meeting on December 22 Mihai Gere and Paul Niculescu expressed their surprise at and disagreement with the decision made by Ceausescu that the demonstrators in Bucharest be shot at. As for Bobu's deposition, it was full of contradictions, hesitations, changes of opinion and consequently led to confusion and uncertainty. After having said that he heard about the victims in Timisoara on December 18, he said that, in fact, at the Political Committee meeting and the teleconference on December 17, Ceausescu spoke about the demonstrators in Timisoara having been repressed.

The president of the court unsuccessfully tried to establish the role played by the members of the Political Committee who were sent to various counties during the tragical events in December 1989. Emil Bobu said local steps were taken by former first secretaries of the counties.

The court pronounced on the request of revoking the order of arrest of defendant Ion Stoian and of unblocking certain funds of the accusers.

Debates will be resumed Thursday, January 10.

Foreign Minister Departs for Syria, Jordan

AU0801180291 Bucharest ROMPRES in English 1627 GMT 8 Jan 91

[Text] Bucharest, ROMPRES 8/1/1991—Adrian Nastase, Romanian foreign minister left Tuesday, January 8, for Syria and Jordan, at the invitation of his Syrian and Jordanian counterparts. The head of Romanian diplomacy will be in Damascus on 8 and 9 January and in Amman on 10 an 11 January.

Before leaving Bucharest Adrian Nastase told the press:

"Considering this is the first contact Romania has with these countries after the December' 89 revolution, I'll have in view first of all bilateral relations, the evolutions of these relations and of the ways to diversify them. Romania has had traditional relations of cooperation with those countries, especially economic ones first of all. We intend to make these relations fit the new

conditions of the Romanian economic system, considering first of all the prospects offered by the market economy."

Foreign Minister Adrian Nastase also told the press that President Iliescu has sent through him messages to Syria's and Jordan's heads of state, mainly referring to Romania's willingness to develop its cooperation with the two countries, on concrete economic bases, to the benefits of all partners.

"During the talks," added the Romanian foreign minister, "as natural, the gulf crisis will also be approached. It directly affects both Romania and the two countries I am going to visit, in a relatively similar manner and with similar effects. To my mind, our traditional relations with the Middle East states and the fact that Romania is member of the Security Council will make this extremely serious issue hold an important place in the agenda of our contacts and talks."

Parliamentary Delegation Meets Israeli President

AU0801145391 Bucharest ROMPRES in English 1002 GMT 8 Jan 91

[Text] Bucharest, ROMPRES, 8/01/1991—On Monday [7 January] the Romanian parliamentary delegation headed by the president of the Senate, academician Alexandru Birladeanu, now on an official visit to Israel, met with Mr. Chaim Herzog, Israel's president, and Prime Minister Yitzhaq Shamir.

The same day talks continued with the Knesset president and the chairman of the Foreign Policy and Defense Commission of the Knesset. The talks pointed out the wide range of cooperation possibilities in various fields.

The Romanian parliamentary delegation laid a wreath at the Knesset's eternal flame, and at the "Yad Vashem" holocaust museum.

Upcoming Meeting of Republican Officials Viewed

AU0801205391 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 8 Jan 91

[Zivojin Jerotijevic commentary]

[Text] Political negotiations on the future of Yugoslavia will begin in two days. As reported, all republic presidents have confirmed their participation in an expanded session of the state presidency. From the meager information available, it is difficult to conclude whether the political platform for the topics and procedure of the negotiations has been prepared, but the very readiness to finally sit at a roundtable indicates that the preliminary contacts were to a some extent successful. Here is a commentary by Zivojin Jerotijevic:

[Jerotijevic] One should not expect spectacular results from the first meeting at the highest level, because this will only be an opportunity to present and argue all options. Only after that will the talks focus on the points of divergence, above all, the model of the future structure of the country and possible consequences in case of separation.

It is logical to assume that confronting the truth will not be comfortable for all, but this will remain, as it seems, in a closed circle, that is, it will not be covered by the media.

The negotiations about the third Yugoslavia, since the previous two concepts experienced a fiasco, are taking place at the time of mixed feeling about togetherness as the most optimal solution from the economic, political, and security point of view. Nevertheless, one should point out that it was the federal level that was accepted as the venue and not bilateral contacts which prejudice relations and the situation.

This is a moment that indicates soberness and resoluteness to find solutions that would be acceptable to all. In doing so one should not hide the fact that all sides are entering negotiations with a basket full of imperatives: Slovenia is compelled by the plebiscite; Croatia by the need to establish the unity of the legal-constitutional order throughout its territory without recognizing national rights of Serbs; Serbia has to fulfill its election promise: Safety is with us; Macedonia has to carry out its promise that it will respect the demands of the victorious party which, as the leaders of the VMRO [the Internal Macedonian Revolutionary Organization] said themselves, is not in favor of togetherness of any kind; Bosnia-Hercegovina is entering these negotiations with the awareness that in addition to territorial pretenses there are other unrealistic claims that hinge on and intertwine with Bosnia's position; and Montenegro, knows it simply cannot survive without the material help of Yugoslavia.

The situation is further complicated by the state of the economy and the social discontent of a fairly large number of citizens. This is the general milieu which, together with the specific one, draws the borders of the historic challenge and demands from all the participants in the negotiations openness, sincerity, and readiness to hear all views and all arguments.

What will be accepted out of all this depends on the progressive selection of facts and the restraint from using hidden trump cards that are not in line with a peaceful and civilized denouement of the crisis.

Republics, Provinces Steal Part of Sales Tax

LD0801195891 Belgrade TANJUG in English 1645 GMT 8 Jan 91

[Text] Belgrade, January 8 (TANJUG)—The independent Belgrade weekly VREME on Tuesday writes about the Yugoslav republics' incursion upon the country's wage and salary system and how they illegitimately spent banks' legal reserves and loans to fight insolvency.

From September 1, 1990, the republics and provinces stole around 6.8 billion dinars (some 756 million Deutschmarks) from the sales tax of the federal budget by keeping a part of the tax for themselves, the weekly writes.

Serbia accounts for more than two-thirds of the robbery of the federal budget, VREME writes, adding that Serbia took 3.834 billion dinars. The Republic of Slovenia took 1.1 billion dinars, Republic of Croatia 708.6 million dinars, Province of Vojvodina 543.5 million dinars, Republic of Bosnia-Herzegovina 492 million dinars, Province of Kosovo 107.5 million dinars, Republic of Macedonia 63 million and the Republic of Montenegro 5.8 million dinars.

The weekly warns that the republics and provinces have found other ways to make money—by illegitimately spending banks' legal reserves and loans to fight insolvency which have the function of regulating and guaranteeing the restrictive money policy.

Thus, public consumption from June until the end of November 1990 increased by 107 billion dinars (around 12 billion Deutschmarks). The wages and salaries sector exceeded the planned total funds by 57 billion dinars (around 6.4 billion Deutschmarks) in the June-November period, the weekly writes.

Bosnian Serb Leader Comments on Bogicevic, Knin

AU0801135991 Zagreb VJESNIK in Serbo-Croatian 28 Dec 90 p 3

[Mladen Mirosavljevic report: "To Replace Bogicevic"]

[Text] Sarajevo—Strong pressure is being exerted on the leadership of the Serbian Democratic Party of Bosnia-Hercegovina by the grass roots to replace the member of the SFRY Presidency from Bosnia-Hercegovina, Bogic Bogicevic. The Main Committee has not yet taken a

stand on this, but if such pressure continues then it will have to do this quickly. This was said at a news conference held on Thursday [27 December] by Dr. Radovan Karadzic, president of the Serbian Democratic Party.

They Are Proposing Well-Known Serbs

Most pressure is coming from Hercegovina, the Bosnian Krajina, and even central Bosnia, and instead of Bogicevic, some well-known Serbs are being proposed who are now living in Belgrade, such as Lubarda, Nogo and so on, as well as the academicians Milorad Ekmedzic and Slavko Leovac from Sarajevo. Therefore, we will bring this issue up with our Executive Committee, Karadzic said. There is no longer any unified delegation from Bosnia-Hercegovina which would act in a unified way in the Federal Assembly and the federal organs. It is therefore important who the member of the SFRY Presidency is and what kind of stands they will represent. Serbs make up about 40 percent of the population of Bosnia-Hercegovina, and their opinions must be present in the Federal Assembly and the federal Presidency.

Telegram to Babic

Replying to a question on what he thought of Alija Izetbegovic, president of the Presidency of Bosnia-Hercegovina, and Presidency member Stjepan Kljuic attending the promulgation of the Constitution of Croatia and what he had to say about reactions to his greetings telegram to Jovan Raskovic on the occasion of the promulgation of the Statute of the Community of Communes in Knin, Karadzic said that "it was not pleasant that Izetbegovic and Kljuic attended the promulgation of an anti-Serbian constitution. It must be said that some of those who live in Bosnia-Hercegovina have expressed their dissatisfaction with this. The question is whether there would have been any reaction at all had I not sent a telegram to Babic. I sent it on behalf of the Serbs in Bosnia-Hercegovina, but they attended the promulgation on behalf of all Bosnians. For us, the Serbian National Council [Srpsko Nacionalno Vijece] in the region is a legal authority and I sent a telegram to such an authority. The Croatian Constitution has brought Yugoslavia to an end and this was also verified by Ante Markovic by way of his attendance at the Assembly."

Five or Four Federal Units?

Commenting on speculation and statements by Jovan Raskovic regarding the formation of "an autonomous Krajina," which would join some other regions inhabited by Serbs, Karadzic said that the present circumstances imply the survival of Yugoslavia with five federal units. "If Croatia decides to leave Yugoslavia, our attitude would be for Yugoslavia to be preserved with four federal units, which is much more realistic. Even if this could not be realized, then the Serbian people in Yugoslavia and in Bosnia-Hercegovina would do everything to remain in one state, no matter what it was called. The state issue is the primary issue for Serbs and there is no price that would not be paid for it because they would not allow Serbs to be in several states. It is the imperative of the National Council that Bosnia-Hercegovina survives. It already has federal elements."

They Can Be Loud

"The first session of the Assembly of Bosnia-Hercegovina showed that we can always be outvoted. That is why the statements that Bosnia-Hercegovina could figure as an independent state are an illusion. We are grateful to Mr. Tudjman for opening our eyes so that we could see what could happen to us," Karadzic said.

Journalists also learned that the documents were already prepared for establishing a Serbian bank in Bosnia-Hercegovina, as well as a Serbian bank in Paris, for which a license has already been acquired.

Bosnia-Hercegovina Forms Alliance of Albanians

LD0801144491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1254 GMT 8 Jan 91

[Text] Mostar, 8 Jan (TANJUG)—The Democratic Alliance of Albanians in Bosnia-Hercegovina [Demokratski Savez Albanaca Bosne i Hercegovine, DSA BIH] a newly founded Mostar-based party warned today that the forthcoming agreement on a new system in Yugoslavia, as a democratic community of equal nations, is not acceptable without the active and equal participation of legitimate Albanian representatives. An agreement reached in this way will not be binding on the Albanians.

The DSA BIH also maintains that if the Albanians are not allowed to express their political will on an equal basis with other Yugoslav nations this may cause unforseeable consequences not only for the Albanian people but also for all Yugoslav nations.

Tuđjman Urges Talks on 'New Historic Agreement'

AU0901143391 Zagreb VJESNIK in Serbo-Croatian 30 Dec 90 p 3

[Darko Pavicic report on speech by Croatian President Dr. Franjo Tudjman at celebrations held in Klanjec on 29 December to mark the anniversary of the Croatian anthem: "We Will Preserve a Free and Independent Croatia"]

[Excerpts] When it comes to the 155th anniversary of the publication of our anthem and the 55th anniversary of this monument, it is appropriate for us to recall both the circumstances in which this came about and the present ones, in order to make comparisons. After all, when we return to the past it is never only to pay our respects to our forefathers, who have kept us going, but in order to learn some necessary lessons. [passage omitted]

I think that the Croatian people have shown their maturity this year and demonstrated that they know how to learn lessons from the whole of their history. We won

a victory at the elections which allowed us, even this year, to adopt a constitution of the sovereign democratic Republic of Croatia, an independent Croatia, which will settle its relations with the other peoples and other republics in the present Yugoslav community on the basis of equality. We are not yet fully independent because Yugoslavia is a reality of the international order. Because of this international order and because of internal relations, we cannot now deny this reality, but we have promulgated the Constitution, proclaimed sovereignty, and given ourselves the duty, as the Croatian state leadership, to discuss with the other peoples a new historical agreement and to discuss whether we can find foundations for a future community, a community of sovereign peoples and sovereign republics.

We Cannot Reconcile Ourselves to a Federation

We can no longer tolerate the kind of Yugoslavia in which we have hitherto lived because between the two wars, it wanted to directly assimilate the Croatian people. Not even after the war—even though the country was led for a long time by the Croat Josip Broz, who wanted to create an equal community within the communist utopia—were the Croatian people equal. This is also why we cannot reconcile ourselves to the kind of federation that it has been so far, despite any confederal elements, and we especially cannot accept the kind of federation that is being offered to us by those in Belgrade and other centralist-unitaristic exponents. Therefore, we have adopted a constitution of a free sovereign Republic of Croatia: We want to sit at a negotiating table and discuss whether we can reach a new historical agreement, whether a community is possible, and under what conditions. However, this community must provide all attributes, including an army too, which is something Croatia had even in the Austro-Hungarian monarchy and in which even the Serbs were loyal to the Croatian idea. This army must not be some kind of factor in undermining Croatian sovereignty and Croatian independence.

We have won many battles along this historic Croatian road toward our freedom and sovereignty. We have not yet won the final war, but we cannot lose it. This is another era now. A European community is now being created not on some supra-national ideas but as a community of sovereign peoples. With everything that they have achieved from the elections to the promulgation of the constitution, the Croatian people have shown their maturity, they have survived, and they want to be an independent factor which will make its own decisions about its fate. Apart from that, with this or a similar policy, the Croatian people have taken their place in Europe and the world and never since the medieval past has Croatia enjoyed the standing that it is enjoying now. Be assured that we will be able to preserve this standing and ensure a free and independent Croatia in the new conditions.

Macedonian Assembly Opens With Argument

LD0801125391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1146 GMT 8 Jan 91

[Text] Skopje, 8 Jan (TANJUG)—The start of work of the first multiparty parliament of Macedonia this morning in Skopje confirmed much of what had been envisaged—that the interparty negotiation process will be neither an easy nor a simple matter.

One and a half hours were taken up by an argument among deputies on the question of whether the constitutive session of the Macedonian multiparty unicameral parliament should begin with the singing of the republican anthem and the SFRY anthem, or only with the Macedonian anthem.

After a lengthy polemical debate, a long break was announced. When the work of the first constitutive session of the parliament resumes, it is expected that proceedings will be implemented for the verification of mandates and that an interim code of practice will be adopted. The deputies will then make their opening speeches.

The session, which began this morning at 1000 hours, is being attended by the 120 deputies and highest-ranking leaders of the Socialist Republic of Macedonia; the leaders of all the parties; representatives of the Macedonian Academy of Arts and Sciences, the Yugoslav People's Army, and the Territorial Defence of Macedonia; the leaders of religious communities; and others.

Andov Elected New President

LD0801175291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1722 GMT 8 Jan 91

[Text] Skopje, 8 January (TANJUG)—Deputies to the Macedonian multiparty parliament today elected Stojan Andov president of the Macedonian Assembly. Stojan Andov is a well-known Macedonian politician, who ran the election campaign as a candidate of the Alliance of Reformist Forces of Macedonia. Out of 120 deputies, 71 voted for Andov, while nobody was against.

Macedonian Parties Agree on Future President

AU0801130091 Belgrade BORBA in Serbo-Croatian 7 Jan 91 p 1

[D. N. report: "Macedonian Post-Electoral Agreement: Bishop Mihail To Be President of the Republic"]

[Text] Skopje—After long and troublesome negotiations and the pressure from the public, the three Macedonian parties—VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity], the League of Communists of Macedonia-Party of Democratic Transformation, and the Alliance of Reform Forces—which have the largest number of deputies to the future Macedonian parliament, have agreed on Bishop Mihail (Metodija Gogov) becoming president of the republic, on Stojan Andov,

president of the Reform Forces of Macedonia, becoming president of the Macedonian Assembly, and on Petar Gosev, president of the reformed Macedonian Communists, forming the Macedonian Government. We have also learned that it has been agreed on Ljupce Georgijevski, leader of the VMRO-DPMNE, becoming vice president of the republic.

Leader of New Communist Party 'Old-Fashioned'

AU0801222091 Belgrade BORBA in Serbo-Croatian 28 Dec 90 p 4

[Dragan Nikolic report: "An Old-Fashioned Politician to Balance Belligerent Sides"]

[Text] Dragan Atanasovski, the first president of the League of Communists-Movement for Yugoslavia and controversial Kumanovo politician, became more widely known after the "Kumanovo communists came onto the scene" during the spring, which, it is thought, was calculated to bring down the party leadership of Petar Gosev, elected at the 10th Congress of the League of Communists of Macedonia. At this meeting, which was attended by 5,000 Kumanovo communists, Atanasovski's speech was accompanied by frenetic applause, as well as chants of Yugoslavia. Condemnation of the "Macedonian party treachery" and a "Macedonian-Slovene Party alliance" at this meeting had the "high temperature" produced by a highly emotionally charged atmosphere. Atanasovski held another party meeting in the same sports hall with a similar atmosphere, this time against "the lack of democracy and the new form of single- mindedness" of Gosev's party leadership (because Atanasovski, as well as some other Kumanovo activists, were taken off the list of candidates of the League of Communists of Macedonia for the republican parliament). This meeting two days before the elections was not so heated was not covered by the media. It sank in the preelection silence. Atanasovski announced that through these meetings and the policy it was conducting, the League of Communists of Kumanovo had become Kumanovo's leader ("vanguard"), which the elections unfortunately did not confirm: Atanasovski, together with several other candidates of the communal party committee, lost at the elections for the communal parliament.

If one cannot draw a definite conclusion from this unpleasant fact about Atanasovski's (lack of) popularity in Kumanovo, (elections are lost in only one constituency), it can, however, certainly be said that Atanasovski does not enjoy popularity in Macedonia nor is he the darling of the Macedonian press. Quite a lot has been said and written about him as a nondemocrat, a man close to the "outgoing Macedonian rulers," and an "old-fashioned politician." It has even been claimed that his meetings were ordered by these politicians who do not want "to give up power without a fight" (since "they took it with a fight"). It seems that he has opponents not only in the Central Committee of the League of Communists of Macedonia but also in Kumanovo, and that in relations with them he, together with a "group of Kumanovo rulers," maintained a "high-level of ethnic tension" so that their rule would have its justification in ethnic arbitration. Reporters are left with the impression of a politician who understands everything and whose speeches are not without suggestiveness.

It seems that the initiators made great efforts to ensure that the first president of the new (allegedly Serbian-military) party is a Macedonian and that the choice fell to Atanasovski only after several other Macedonians rejected this post (it seems, Nikola Matovski, professor of the law faculty in Skopje also rejected it). Thus, the question arises of why the president should be a Macedonian? It is thought and has been written that Macedonians were the most suitable for such a part so that they would be "some kind of balance between the belligerent Serbian, Croatian, and Slovene Republics." Why Atanasovski exactly? Supposedly because the Serbian politicians who are backing the new party cannot rely in Macedonia on the policy of Gosev or Gligorijevski (the League of Communists of Macedonia and the Internal Macedonian Revolutionary Organization) and they are, however, concerned about having Macedonia as an ally in future talks about the structure of Yugoslavia. This leads to the conclusion that—if these politicians are able to achieve through Atanasovski what they cannot through Gosev and Gligorijevski—they are banking on a coup, which was not brought about by the meetings in Kumanovo. For those who proposed him, Atanasovski has "proven himself an uncompromising fighter against the communist-reformers and in favor of a federal and democratic Yugoslavia," but for his detractors in Macedonia, he only needs—by serving a "non-Macedonian interest"—to conclude his "task" and thus continue the inglorious Macedonian tradition in Yugoslav politics, but this time both on someone else's and on his own Macedonian territory.

Macedonian Communists Discuss Government Options

AU0901142991 Sarajevo OSLOBODJENJE in Serbo-Croatian 29 Dec 90 p 5

[D. Joksic report: "A Vote for Independent Ministers"]

[Excerpts] Skopje, 28 December—The League of Communists of Macedonia-Party for Democratic Transformation [LCM-PDP] will do its utmost to ensure that a parliamentary crisis is avoided in the republic, but it does not accept any blackmail regarding the setting up of the organs of authority. These stands from yesterday's closed session of the Central Committee of the LCM-PDP were revealed to reporters at a news conference today by party leader Petar Gosev. He also said that his party supports several variations for setting up a government. First, they agree with a "trans-party government," made up of representatives of all parties. They also find acceptable the idea of a government of specialists, professionals. The third variation is to set up a government with proportional representation of the leading parties,

but in this case we insist that the prime minister be from the ranks of the SKM-PDP, Gosev said.

Regardless of which variation is successful and if any are successful at all, the reformed communists fear that there will be a certain deviation from programmatic aims. They thus propose the creation of a so-called "political miniprogram" that would be acceptable to everyone and would be valid for a certain period of time. This would in fact be a platform of stands of the Socialist Republic of Macedonia regarding a new Yugoslav accord, which would be acceptable to everyone in parliament. This would thus resolve the issue of local self-government and preparations for adopting a new republican constitution, which would be followed by new parliamentary elections. [passage omitted]

Otherwise, certain cadre changes were made at yesterday's closed session of the Central Committee of the LCM-PDP. Mirce Tomovski and Zirap Limani left the party's Presidium because they have "taken over" new posts, while Todor Cuskarski, Mihail Danev, Todor Pelivanov, and Petar Kalajdziski were expelled from the LCM-PDP. Because of financial problems, the Central Committee of the LCM-PDP made the decision to scrap the professional services in the Central Committee and the communal committees.

It was also said at the conference that the 11th Congress of the LCM-PDP would be held in the middle of March next year [1991]. It is expected that the party's name will be changed then and a merger with another party, possibly the Social Democrats, is also possible.

Kosovo Human Rights Group Criticizes Jovic

LD0801172291 Belgrade TANJUG in English 1602 GMT 8 Jan 91

[Text] Pristina, January 8 (TANJUG)—The Committee for the Protection of Human Rights of the Yugoslav province of Kosovo, a part of the Republic of Serbia, believes that the declaration of Kosovo as a federal unit equal to other Yugoslav republics was a "fait accompli."

In a letter to the Yugoslav state presidency, the federal government and the republican leaderships, the committee claims that Kosovo should be equal to other Yugoslav federal units.

In the letter, the committee polemizes with Yugoslav State Presidency President Borisav Jovic, who criticized the Kosovo Academy of Arts and Sciences late last year for supporting the forming of the republic of Kosovo.

In his letter to Kosovo academicians, Jovic said that ethnic Albanians in Yugoslavia and Serbia did not have the status of a nation and that they account for 14 percent of the population of the Republic of Serbia.

Jovic added that ethnic Albanians did not have the legitimate right to decide on the constitutional order of any part of Serbia or Yugoslavia.

The Kosovo committee letter sharply criticized the decision of the Serbian parliament last summer to suspend the parliament of the Province of Kosovo. The letter said that it was the first time that the parliament of one federal unit gave itself the right to dissolve the parliament of another federal unit.

The Serbian parliament decided to dissolve the Kosovo parliament after ethnic Albanian deputies passed the so-called declaration on the Republic of Kosovo.

The territory of present day Kosovo Province was the center of the Serbian mediaeval state. Serbs believe they have the historic right to the region and do not want to negotiate about it with anyone.

Ethnic Albanians, who today make up 90 percent of the population of the province, want independence from the Republic of Serbia.

Serbian Republic Monetary Actions Assailed

LD0801204491 Belgrade TANJUG in English 1946 GMT 8 Jan 91

[Text] Belgrade, Jan 8 (TANJUG)—Vice Governor of the Yugoslav National Bank Vukasin Markovic stated here today that a decision made by the parliament of the Yugoslav Republic of Serbia to "draw" from the primary money issue a sum of 18.3 billion dinars (around 1.4 billion dollars) constituted an unprecedented move in the history of Yugoslav banking.

Markovic said that the decision made by the authorities of Serbia marked a climax of monetary indiscipline which had been in expansion since last November. He added there were indications that the national banks of the other republics also exceeded their authorizations.

Markovic announced urgent changes in the law on the National Bank of Yugoslavia which would make impossible for the republican national banks to use the primary money issue autonomously for granting credits.

The decision to take up a credit from primary money issue was made by the parliament of the Yugoslav Republic of Serbia towards the end of last year, and the news about it had "leaked" to the general public yesterday. The money was intended to the budget of Serbia, the republic's pension fund, and the fund for insolvent banks.

Markovic hoped today that the banks in the Republic of Serbia would return the money urgently. If they do not do so, the National Bank of Yugoslavia, as Markovic said, may undertake rigorous measures against the banks but there is no legal ground to return the money that is already in the budget of the republic.

The Serbian authorities' decision was censured most sharply today also by the Republic of Slovenia. The Prime Minister of Slovenia Lojze Peterle characterized this move as a "criminal act." He announced Slovenia would make all steps in order to protect its economy.

The Slovenian Government sent today a memorandum to the federal government saying that the Serbian authorities' decision seemed to have eventually broken Yugoslavia's single economic system. The memorandum in the end demanded that the federal government immediately prepared an inter-republican specification of financial resources, internal debts and debts owed to other countries.

The governors of the republics' national banks, in a poll conducted by TANJUG today, asserted that they had respected the regulations and that they had not made unauthorized "incursions" in the country's monetary system.

In Bosnia-Hercegovina, as was asserted, there were no illegal uses of the primary money issue "in an unusual volume" while auditing would show whether there were any minor failures.

Montenegro and Macedonia rejected every possibility that unauthorized uses of money from primary issue took place there.

Croatian National Bank Governor Ante Cicin-Sain said that "in other republics, too" there had been unauthorized uses of primary issue, but the proportions were "insignificant" relative to what took place in Serbia.

Stojan Dabic, president of Investbanka, one of the largest banks in Serbia, stated today it would be "ridiculous to talk about who has more and who has less used the primary issue." He reiterated the general stand of Serbia that a single money-crediting system should be secured for the country.

'Measures of Coercion' Used on Medical Officials

LD0801153191 Zagreb Domestic Service in Serbo-Croatian 1400 GMT 8 Jan 91

[Text] After the latest decisions of the Serbian assembly against the Faculty of Medicine in Pristina, measures of coercion have been introduced. Managers of the Albanian nationality in all the clinics and institutes have been replaced by Serbs and Montenegrins. Yesterday seven directors of clinics and institutes of the medical faculty were replaced, with the explanation that they have not been respecting professional ethics. The directors of the hospital in Gnjilane and the health center in Stimlje have also been replaced.

Army Accused of Killing Ethnic Albanian Soldiers

LD0801200591 Belgrade TANJUG in English 1733 GMT 8 Jan 91

[Text] Pristina, January 8 (TANJUG)—Albanian-language papers in the Province of Kosovo, part of the Republic of Serbia, again sharply accused the Yugoslav People's Army of killing ethnic Albanian soldiers.

On the recent suicide of soldier Izet Busi in army barracks in the Republic of Serbia, the press claims that Busi was "brutally killed" and describes the official version about the suicide as a "cynical explanation."

Albanian-language papers write that attacks on soldiers would make their parents think before they let their children go to the Army.

The Yugoslav People's Army has on several occasions denied the allegations about violence against ethnic Albanian soldiers in the press and by certain parties and associations of ethnic Albanians.

Slovene Official Discounts Secession Option

LD0801170291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1342 GMT 8 Jan 91

[Text] Belgrade, 8 January (TANJUG)—Slovene Secretary for Foreign Relations Dr. Dimitrij Rupel said today that "Slovenia will not leave Yugoslavia, because it is a constituent part of Yugoslavia, in whose creation it took part."

In an interview broadcast on Belgrade Radio Two, Dr. Rupel explained that Slovenia's possible secession from Yugoslavia is not a technical issue, but an essential issue, and that Slovenia's decision to secede would mean an end to Yugoslavia. Dr. Rupel stressed that Yugoslav nations and republics should reach an agreement on common interests they are ready to accept within Yugoslavia, and everything else depends on nations and republics, which are the real exponents of sovereignty.

Asked about results of Slovenia's intense diplomatic activity, Dr. Rupel said that he and other Slovene representatives had convinced their counterparts abroad of the legitimacy of Slovene demands.

Slovenia is recognized in international relations, Dr. Rupel stressed, and further explained that Slovenia had never sought any kind of recognition. such a recognition can only be sought "after the establishment of new relations within Yugoslavia, which can only be achieved through an agreement of representatives of Yugoslav Republics," Rupel concluded.

Slovene Assembly on Serb 'Incursion' Into System

AU0901105691 Ljubljalna Radio Slovenia Network in Slovene 1800 GMT 8 Jan 91

[Text] Dr. France Bucar, president of the Slovene Assembly has convened an extraordinary session of all assembly chambers for this Friday, 11 January, at which they are to adopt measures of the Republic of Slovenia for setting up economic relations in Yugoslavia. The basis for this will be the memorandum that the Slovene government adopted at its session today when discussing consequences of the Serbian incursion into the Yugoslav monetary system and measures for the necessary protection of the Slovene economy. The memorandum has already been sent to the federal Executive Council, that is, its president, Ante Markovic. Here are the most significant decisions and measures in the memorandum:

The memorandum on the stands of the Slovene Executive Council concerning the setting up of economic relations in Yugoslavia says that with the decision which was recently adopted by its assembly and published in a secret official gazetteer, the Republic of Serbia has clearly shown its attitude toward the solution of the Yugoslav crisis.

By perpetrating a crude and unprecedented incursion into the monetary system—after previously adopting protectionist measures against the Slovene and Croat economy—as well an incursion into the fiscal system, the Republic of Serbia has unconstitutionally, unlawfully, and probably finally destroyed the unified economic system of Yugoslavia. By doing so, Serbia has taken upon itself the responsibility for economic and political consequences of its act.

The federal Executive Council has reacted to the Serbian criminal act 10 days later. The Slovene Executive Council does support the good intentions of the federal government, but does not believe that the adopted measures, as well as measures of the National Bank of Yugoslavia, can prevent the irreparable damage caused by the Serbian decision. The Slovene Government warns the federal Executive Council and the public that what is involved is a dangerous economic and political destabilization of Yugoslavia. Such a situation suits those people who want to take advantage of it to set up relations in Yugoslavia in an undemocratic way.

The Slovene Executive Council, bound by the decision of the Assembly of the Republic of Slovenia, the will expressed at the plebiscite, and democratic criteria, will do everything to protect the Republic of Slovenia economically and politically from the consequences of such an activity. The results of the plebiscite on the independence of Slovenia, which the federal government has so far completely ignored, oblige the Executive Council to present the Republican Assembly with the measures for immediate adoption which will protect the Slovene economy and the citizens of Slovenia and will ensure economic sovereignty. These measures are as follows:

In the fiscal system: The Republic of Slovenia will completely take over the system of sales taxes. It would pay a (?contribution) into the federal budget and thereby ensure its share of financing the minimum functioning of the federal administration and the Yugoslav People's Army and would do so for precisely decided and established sums.

In the customs system: The Republic of Slovenia will accept customs duties precisely established by the federal customs regulations. Slovenia will not change valid customs regulations if other republics fail to do so, that is, until a new agreement among the republics is reached.

In the monetary system: The Republic of Slovenia definitely gives up the (?rescue) of the banking system on the federal level.

Regarding the method of dividing funds and internal and foreign debts: The Executive Council of the Republic of Slovenia demands that the federal government immediately prepare the way to divide financial funds and internal and foreign debts. The Executive Council of Slovenia will also present its own proposal on the way to divide financial funds and liabilities.

Soviet Official Visits Communist League Leader

LD0801200391 Belgrade TANJUG in English 1648 GMT 8 Jan 91

[Text] Belgrade, January 8 (TANJUG)—Soviet Embassy official Vitaliy Koldovski on Tuesday visited Dragan Atanasovski, the president of the committee of the League of Communists-Movement for Yugoslavia (LC-MY).

The LC-MY statement said that the talks were "friendly and cordial" and Koldovski allegedly expressed interest with which parties the LC-MY would cooperate.

He was pleased that the new party was interested in peace in Yugoslavia and the building of a modern socialist society.

LC-MY officially appeared late last year. After it was decided that the Yugoslav Army be depoliticalized, the communists in the army were advised to join the new League of Communists. A number of retired Yugoslav politicians and generals took part in the party's founding committee.

The statement described the talks with Koldovski as the first important step towards international cooperation.

The independent Yugoslav weekly VREME recently wrote that the new party has tried to establish contacts with the communist parties of Cuba and France.

Reportage on Loncar Visit to Saudi Arabia

WA0901125591

For reportage on the visit of Foreign Minister Budimir Loncar to Saudi Arabia, including talks held with Saudi, Kuwaiti, Egyptian, and Syrian officials, as well as the establishment of diplomatic relations with Saudi Arabia, please see the Arabian Peninsula and International Affairs sections of the 7 January Near East & South Asia DAILY REPORT and subsequent issues .